

OFFICIAL STATEMENT

NEW & RENEWAL ISSUE

BOND RATING: MOODY'S INVESTORS SERVICE, INC. "A1"

SERIAL BONDS & BOND ANTICIPATION NOTES

See "BOND RATING" herein

In the opinion of Trespasz Law Offices, LLP, Bond Counsel to the City, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Interest on the Notes is included in gross income of the owners thereof for federal income tax purposes. In addition, interest on the Notes held by certain corporations that are subject to the federal corporate alternative minimum tax is included in the computation of "adjusted financial statement income" for purposes of the federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds and the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York). No opinion is expressed regarding other federal or State tax consequences arising with respect to the Bonds and the Notes. (See "TAX MATTERS" herein.)

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

\$52,763,231
CITY OF SYRACUSE
ONONDAGA COUNTY, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE #: 871703

\$17,763,231 Public Improvement (Serial) Bonds, 2026
(referred to herein as the "Bonds")

Dated: June 25, 2026

Due: May 1, 2027-2038

MATURITIES**

Table with 10 columns: Year, Amount, Rate, Yield, CSP, Year, Amount, Rate, Yield, CSP. Rows list maturities from 2027 to 2038 with corresponding amounts.

* The Bonds maturing in the years 2035-2038 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."
**Subject to change pursuant to the accompanying Notice of Bond Sale in order to achieve substantially level or declining annual debt service. The aggregate par amount of bonds may be decreased in an amount not in excess of the premium offered by the successful bidder, and the amount of each annual maturity, as set forth herein, may be adjusted to the extent necessary, in order that the total proceeds, which include the total par amount of the bonds plus all or a portion of the original issue premium, if any, received by the City, be used for the capital projects financed by the bonds

\$35,000,000 Bond Anticipation Notes, 2026 Series B (Federally Taxable)
(the "Notes")

Dated: June 25, 2026

Due: June 25, 2027

(collectively referred to herein as the "Bonds and Notes")

The Bonds and Notes are general obligations of the City of Syracuse, Onondaga County, New York (the "City") all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of \$5,000 or any integral multiple thereof with respect to the Bonds, except for one necessary odd denomination with respect to the first maturity. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on November 1, 2026, and semi-annually thereafter on May 1 and November 1 in each year until maturity. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof with respect to the Bonds, except for one necessary odd denomination with respect to the first maturity. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

The Notes will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the City. A single note certificate will be issued

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

Proposals for the Bonds shall be for not less than \$17,763,231 and accrued interest, if any, on the total principal amount of the Bonds. Proposals must be accompanied by a good faith deposit in the form of a wire transfer or certified or cashier's check, payable to the order of the City of Syracuse, Onondaga County, New York, in the amount of \$355,000

The Bonds and Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the respective approving legal opinions as to the validity of the Bonds and Notes of Trespasz Law Offices, LLP, Syracuse, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), or about June 25, 2026.

ELECTRONIC BIDS for the Bonds will be received for open auction and must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on June 10, 2026 between 10:45 a.m. and 11:15 a.m. Eastern Time, unless extended in accordance with the two-minute rule, pursuant to the Notice of Bond Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Once the bids are communicated electronically via Fiscal Advisors Auction to the City, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Bond Sale.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on June 10, 2026 by no later than 11:15 A.M., Prevailing Time, pursuant to the respective Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the City, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

June 3, 2026

THE CITY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDERS, AS MORE FULLY DESCRIBED IN THE NOTICE OF BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE CITY'S RESPECTIVE AGREEMENTS TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AND NOTES AS DESCRIBED IN THE RULE, SEE "APPENDIX – D – CONTINUING DISCLOSURE UNDERTAKING" AND "APPENDIX – E-MATERIAL EVENT NOTICE" HEREIN.

**CITY OF SYRACUSE
ONONDAGA COUNTY, NEW YORK**

CITY OFFICIALS

SHARON F. OWENS

Mayor

COMMON COUNCIL

RITA PANIAGUA, President
DR. CHOL MAJOK, Councilor-at-Large
RASHEADA CALDWELL, Councilor-at-Large
HANAH EHRENREICH, Councilor-at-Large
HELEN HUDSON, Councilor-at-Large
MARTY NAVE, Councilor, First District
DONNA MOORE, Councilor, Second District
COREY J. WILLIAMS, Councilor, Third District
PATRONA JONES-ROWSER, Councilor, Fourth District
JIMMY MONTO, Councilor, Fifth District

.....
ALEXANDER MARION, MPA

City Auditor

DIANE NASTRI

Interim Commissioner of Finance

SUSAN R. KATZOFF

Corporation Counsel

EVAN LOVING

Director of Management and Budget

MUNICIPAL ADVISOR



Fiscal Advisors & Marketing, Inc.

BOND COUNSEL



Trespasz Law Offices, LLP

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

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PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT
of the
CITY OF SYRACUSE
ONONDAGA COUNTY, NEW YORK**

**Relating To
\$17,763,231 Public Improvement (Serial) Bonds, 2026
&
\$35,000,000 Bond Anticipation Notes, 2026 Series B (Federally Taxable)**

This Official Statement, which includes the cover page and appendices, has been prepared by the City of Syracuse, Onondaga County, New York (the "City", "County", and "State", respectively) in connection with the sale by the City of \$17,763,231 Public Improvement (Serial) Bonds, 2026 (referred to herein as the "Bonds") and \$35,000,000 Bond Anticipation Notes, 2026 Series B (Federally Taxable) (referred to herein as the "Notes"), collectively referred to herein as "the Bonds and Notes".

The factors affecting the City's financial condition and the Bonds and Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the City'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, and acts and proceedings of the City contained herein do not purport to be complete, and are qualified in their entirety by reference to the official compilations thereof, and all references to the Bonds and Notes and the proceedings of the City relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and Notes and such proceedings.

NATURE OF OBLIGATION

Each of the Bonds and Notes when duly issued and paid for will constitute a contract between the City and the holder thereof.

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

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

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

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

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

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean . . . So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses

in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

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

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

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

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

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

THE BONDS

Description of the Bonds

The Bonds are general obligations of the City and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated June 25, 2026 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as stated herein under "Optional Redemption – Bonds". The "Record Date" of the Bonds will be the fifteenth day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of \$5,000 or any integral multiple thereof with respect to the Bonds, except for one necessary odd denomination with respect to the first maturity. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on November 1, 2026 and semi-annually thereafter on May 1 and November 1 in each year until maturity. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof with respect to the Bonds, except for one necessary odd denomination with respect to the first maturity, and the City will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Optional Redemption – Bonds

The Bonds maturing on or before May 1, 2034 shall not be subject to redemption prior to maturity. The Bonds maturing on or after May 1, 2035 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the City on May 1, 2034 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

Purpose of Issue – Bonds

The Bonds are issued pursuant to the Constitution and statutes of the State including among others, the Local Finance Law and various bond ordinance adopted by the City Council authorizing the issuance of serial bonds to finance the cost of various City improvements as follows.

Purpose	Amount		Proceeds of the Bonds
	Authorized	New Money	
23/24 Interstate Lighting	\$ 100,000	\$ 100,000	\$ 100,000
24/25 DPW Utility Pole Digger Program	400,000	360,163	360,163
24/25 Fire Specialty Apparatus	1,000,000	999,640	999,640
24/25 John Dunn Ice Rink Improvement	208,000	208,000	208,000
24/25 Furnance Brook - Elmwood Sediment Removal	575,000	575,000	575,000
24/25 Parking Garage Safety	500,000	414,490	414,490
RTC/Regional Market Area Mobility Improvements	312,000	294,000	294,000
24/25 Parks Pools Improvements	300,000	163,233	163,233
24/25 Hanover Fountain Rehab	1,300,000	1,300,000	1,300,000
24/25 Skiddy Park Safety Surface	400,000	395,400	395,400
Emergency Demo of 400-430 Erie Boulevard	1,800,000	1,711,200	1,711,200
25/26 SFD Aerial Apparatus Replacement Program	2,450,000	2,418,960	2,418,960
25/26 SFD Engine Apparatus Replacement Program	3,600,000	3,224,630	3,224,630
25/26 DPW Equipment and Vehicles Program	1,977,900	1,328,075	1,328,075
25/26 SFD Vehicle Replacement Program	620,700	620,143	620,143
25/26 Parks Operations Vehicles & Equipment Project	740,000	711,048	711,048
24/25 James Pass Arboretum Repaving Project	157,500	155,496	155,496
24/25 Police Department Radio Replacement Program	1,000,000	1,000,000	1,000,000
25/26 Fabric Buildings Program	350,000	233,014	233,014
25/26 Tree Pit Enhancement Project	500,000	438,740	438,740
25/26 Tree Planting Program	401,250	280,732	280,732
25/26 Interstate Lighting Upgrades Program	425,000	331,268	331,268
FY26 Radio Replacement	500,000	500,000	500,000
	\$ 19,617,350	\$ 17,763,231	\$ 17,763,231

The proceeds of the Bonds will provide \$17,763,231 new money for the aforementioned projects.

THE NOTES

Description of the Notes

The Notes are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated June 25, 2026 and will mature, without option of prior redemption, on June 25, 2027. Interest will be calculated on a 30 day month and 360 day year basis, payable at maturity.

The Notes will be issued in registered form at the option of the purchaser either (i) requested in the name of the purchaser, in denominations of \$5,000 or integral multiples thereof, as may be determined by the successful bidder; or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption – Notes

The Notes are not subject to redemption prior to maturity.

Purpose of Issue – Notes

The Notes are issued pursuant to the Constitution and statutes of the State including among others, the Local Finance Law and bond ordinances adopted by the City Council authorizing the issuance of serial bonds to finance the cost of improvements as follows:

Purpose	Amount Authorized	Amount Outstanding	Principal Reduction	New Money	Proceeds of the Notes
Lead Service Replacement Program 2024	\$ 10,000,000	\$ 5,600,000	\$ -	\$ 4,400,000	\$ 10,000,000
Lead Service Replacement Program 2025	25,000,000	-	-	25,000,000	25,000,000
	\$ 35,000,000	\$ 5,600,000	\$ -	\$ 29,400,000	\$ 35,000,000

The proceeds of the Notes will renew, in full, the \$5,600,000 bond anticipation notes outstanding and maturing June 26, 2026 and provide \$29,400,000 in new money for the aforementioned projects.

BOOK-ENTRY-ONLY SYSTEM

DTC will act as securities depository for the Bonds and the Notes, if so requested. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds will be deposited with 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"). 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.

Purchases of Bonds and Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and Notes on DTC's records. The ownership interest of each actual purchaser of each Bond and Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds and Notes, except in the event that use of the book-entry system for the Bonds and Notes is discontinued.

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

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

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

Principal and interest payments on the Bonds and 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 City, 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 City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

Source: The Depository Trust Company.

THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS AND NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND 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 CITY 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 ON THE BONDS AND NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS AND NOTES.

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity with respect to the Bonds, except for one necessary odd denomination with respect to the first maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the City upon termination of the book-entry-only system. Interest on the Bonds will be payable on November 1, 2026 and semi-annually thereafter on May 1 and November 1 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last day of the calendar month preceding an interest payment date and such interest payment date.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City 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, the following provisions will apply:

The Notes will be issued in registered form registered in the name of the purchaser in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at the City. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE CITY

General Information

The City is a municipal corporation located in the County of Onondaga (the “County”) and is the fifth most populous city in the State. The City encompasses a land area of 26 square miles in the north central portion of the State near Lake Ontario. The City is the major component in the Syracuse Metropolitan Statistical Area (“MSA”).

The City is a major regional center for industrial, commercial and financial activities. The City is home to Syracuse University and LeMoyne College as well as various other educational institutions. An extensive transportation network contributed to growth and development of the City. Interstate 90 (East-West) and 81 (North-South) intersect near the City. Air transportation is available at the Hancock International Airport (see “The Syracuse Hancock International Airport,” herein). Commercial railway services are provided by CSX Corporation, which operates a major freight yard just east of the City, and a Great Lakes deep-water port is located 30 miles away. The William F. Walsh Regional Transportation Center provides passenger bus and train services.

The City has a redevelopment program which is designed to rehabilitate and improve its housing stock and to revitalize the economic environment of the City. This activity is administered and coordinated by the City’s Department of Neighborhood and Business Development. The revitalization of the downtown and adjacent areas has been the primary focus of redevelopment efforts to date. (See “Development Activities” herein.)

Services

The City is responsible for providing most municipal services to its residents including water, sewage collection, refuse collection, police and fire protection, street maintenance, and recreational facilities. The City water supply system is augmented through its participation in a County water district. Sewage treatment is provided by the County. By law, the County provides various economic assistance and health services to City residents. Public libraries in the City are run by the County.

Utilities

National Grid Company is the major supplier of electric power and natural gas to area industry, commercial and residential consumers.

Verizon is the primary supplier of telephone service in the City. Other telecommunication companies serving City residents include, among others, AT&T and Spectrum.

The City operates its own drinking water system. The primary source of water for City residents is Skaneateles Lake, one of the Finger Lakes. Skaneateles Lake is part of an interconnected system which also includes Otisco Lake and Lake Ontario. The City participates in a filtration avoidance program which requires strict management of watersheds. The City has contracted with a consulting firm to review all aspects of the water operations including quality control and security issues affecting the City's water supply system. Under the City's latest capital improvement plan, \$6.5 million is provided for improvements to the Skaneateles Water Supply System.

In addition, the City also operates its own sewer collection system, which is part of a comprehensive sewage treatment system operated by the County. There are currently 6 wastewater treatment plants, 4 combined sewer overflow facilities and 175 pumping stations in the Syracuse area, capable of handling over 250 million gallons of sewage daily.

The City has asked that the County consider using technology for these plants that would be more compatible with residential areas and the City's planned development of a "Creekwalk" along Onondaga Creek.

Communications

The Syracuse Post Standard publishes a daily newspaper, including a Sunday edition. The four major TV networks, ABC, CBS, NBC and Fox have affiliates in the City. In addition, CW has an affiliate broadcasting from the City. The Public Broadcasting Station is WCNY-TV 24. Spectrum Cable provides cable TV and media services to City residents. There are also various AM and FM radio stations serving the City.

Solid Waste

The City has an agreement with the Onondaga County Resource Recovery Agency ("OCRRA"), a public benefit corporation, to deliver solid waste for disposal. On March 4, 2015, the City Council authorized a twenty-year delivery agreement with OCRRA to replace an expired twenty-five-year delivery agreement. Residential waste, which is collected by the City, and commercial waste, which is collected by private carters, are subject to the agreement.

The OCRRA program for solid waste disposal consists of incineration at the resource recovery plant, recycling, and landfills. The resource recovery plant began operating in 1995. In accordance with State mandates, OCRRA instituted a recycling program in 1990. OCRRA utilizes landfills for non-burnable waste and for disposing of the ash residue from the plant.

OCRRA has no taxing power and presently derives its revenues from tipping fees and energy sales, which support its services. OCRRA's services include recycling and disposal, among other programs. The solid waste delivered to OCRRA is based upon intermunicipal agreements among the County (the County subsequently assigned its agreements to OCRRA) and its municipal subdivisions (excluding one Town and Village of Skaneateles).

In November 1990, the Onondaga County Resource Recovery Agency ("OCRRA" or the "Agency") assumed responsibility for solid waste management for all of the County except the Town and Village of Skaneateles. The solid waste management system was to consist of a Waste to Energy ("WTE") facility, an in-county landfill, an active recycling program and compost sites. Covanta Onondaga LLP ("Covanta") was retained to build and operate the facility for twenty years. The Agency executed delivery agreements with all thirty-three member municipalities wherein they agreed to direct waste from their communities to the OCRRA System.

In November 2014, OCRRA and Covanta entered into a twenty-year extension of the 1990 Service Agreement under which Covanta will continue to operate the plant and be the beneficial owner for tax purposes while OCRRA retains legal ownership. The Agency assumed responsibility for the subordinate lien bonds and in mid-2015 issued \$15 million in additional revenue bonds to finance capital projects at the WTE facility.

The intermunicipal agreements obligate the municipalities to deliver all of the solid waste collected within their boundaries to OCRRA's disposal facilities. Pursuant to the terms of the inter-municipal agreements, municipalities must license private haulers collecting solid waste in the municipality. The licenses issued to private haulers provide that all solid waste collected in the licensing municipality must be delivered to OCRRA facilities. Court decisions and the increasing availability of landfill capacity have led to uncertainty in the solid waste industry, creating the possibility of challenges to the validity of the delivery agreements. However, OCRRA and the County believe that OCRRA's delivery agreements with the participating municipalities will likely remain valid and enforceable even in the wake of the 1994 *Carbone v. The Town of Clarkstown, NY* decision invalidating certain municipal flow control ordinances. The County has agreed to cooperate with OCRRA to enforce the delivery agreements, if necessary. The County is also working cooperatively with OCRRA and the municipalities to develop a plan which will ensure the continued and long-term viability of OCRRA. Among the steps already taken is the authorization by the County and OCRRA for the defense and indemnification of participating municipalities that enact approved, in-state waste site designation laws. These laws, adopted by all thirty-three member municipalities, are designed to commit disposal of the municipalities' solid waste to the most environmentally sound available disposal site, if the waste is to be disposed of within the State. The OCRRA waste-to-energy site has been chosen as the designated site for such in-state disposal. In order to further support the solid waste disposal system in the County, the County Legislature in 2003 enacted a local law based largely on a Federal Court of Appeals decision involving the nearby Oneida-Herkimer Waste Authority, which had a local law directing that all solid waste, except construction and demolition and recyclables, be disposed of at the OCRRA waste-to-energy facility. The County's local law applies to 33 of the 35 municipalities in the County, including the City. The validity of the Oneida-Herkimer local law was challenged by certain waste haulers but upheld on February 16, 2006 by the Federal Second Court of Appeals which found that the law did not place an undue burden on interstate commerce and dismissed the suit. Since 1992, several additional towns have created residential waste districts, joining the City and several populous towns and villages, which have implemented either municipal collection or municipally contracted collection of residential municipal solid waste. As a result, the majority of residential waste in the County is now under municipal or municipally contracted control, all of which is directed to the OCRRA system for disposal. Residential waste in the County makes up approximately one-half of the total solid waste stream.

The City first entered into a five-year pricing contract with OCRRA effective on January 1, 2006. Similar contracts were signed by OCRRA with each of the municipal and commercial haulers that use OCRRA's facilities. Under the terms of the City's most recent contract, which was signed in December, 2024, the City will pay solid waste tipping fees of \$105 per ton. In addition, OCRRA has agreed to discount the foregoing price schedule by \$4 per ton for prompt payments, which results in a net tipping fee of \$101 per ton. The pricing contracts are considered to be current market prices, and therefore, have the effect of providing OCRRA with "economic" flow control, thereby addressing the uncertainties created by the loss of "legal" flow control as a result of the U. S. Supreme Court's decision in the *Carbone* case. The current contract has automatic renewals through the 2035 calendar year.

In order to construct and implement the OCRRA WTE facility and purchase System assets, \$184 million in bonds were issued in 1992. These bonds were refinanced in 2003 consisting of \$82 million in senior lien debt and \$30 million in subordinate lien debt. The senior lien debt was defeased in 2015. The subordinate lien debt has been refinanced.

The OCRRA bonds continue to be secured by the new delivery agreements that all of the member municipalities recently signed with OCRRA. As an additional means of securing these revenues, OCRRA has secured contracts with major haulers operating in the member municipalities requiring the haulers to deliver waste to OCRRA. The Agency secured 1-year agreements with all of the major haulers, and it is the expectation of the Agency that such agreements will be renewed for the foreseeable future.

In April 2019, OCRRA issued \$10,835,000 revenue bonds to pay a portion of the costs of renovations and upgrades at the Agency's Rock Cut Road Transfer Facility which serves as a transfer point for municipal solid waste taken to the Agency's mass burn resource recovery and electric generation facility. The lien on System Revenues is subordinate to the lien in favor of the 2015 Bonds and to the Covanta's second lien on System Revenues as of Results of the Agency's contractual obligations under the service agreement.

Other Entities

City residents also receive various services from the following independent authorities: the Syracuse Housing Authority, the Onondaga County Water Authority, the Central New York Regional Transportation Authority, and the Central New York Regional Market Authority.

Education

Public education is the responsibility of the Board of Education which is independently elected but does not have the power to raise taxes and issue debt. For taxation and debt issuance, the City School District of the City of Syracuse (the "School District") is dependent upon the City. The Common Council of the City approves the budget of the School District but does not otherwise control the budget of the School District. Student enrollment for the 2025-26 fiscal year was 17,868 (grades K-12). The School District operates 42 buildings, including 33 school buildings.

Joint Schools Construction Board (JSCB)

The Syracuse Schools Act was enacted and became legally effective April 1, 2006, authorizing Phase I of a comprehensive redevelopment program (the “Program”) for public school buildings of the School District, at a cost not to exceed \$225 million. The Program was adopted by the Syracuse Joint Schools Construction Board (the “JSCB”) on February 28, 2008, amended on April 17, 2009 and approved by the Office of the State Comptroller on June 24, 2009 in accordance with §6 of the Syracuse Schools Act. Prior to the commencement of the Program, the facilities of the School District had not been updated or improved in several years. The Syracuse Schools Act was enacted to encourage the City and the School District to cooperatively undertake new and innovative ways of renovating, rehabilitating and financing public schools within the City. The plans and specifications for the Program were developed by the JSCB, which is acting on behalf of the City and the School District, pursuant to the aforementioned Syracuse Schools Act and an inter-municipal agreement dated April 1, 2004. Pursuant to the Syracuse Schools Act, the JSCB has been authorized to manage the design, reconstruction, and financing of the rehabilitation of existing public school facilities in the City, and to coordinate efforts for compliance with, the monitoring of, and the reporting on, a program-wide diversity plan for the Program. The JSCB is comprised of seven Board Members, consisting of: the Mayor, the Superintendent of the School District, three additional members appointed by the Mayor, and two additional members appointed by the Superintendent of the School District.

A comprehensive plan identifying projects at the school buildings listed in the Syracuse Schools Act was prepared for the JSCB’s consideration. Upon approval of the plan by the JSCB, the plan, which provided for approximately \$180 million of improvements, was submitted to the State Comptroller for review and approval, which approval was granted on January 25, 2008. Upon the recommendation of the Program Manager hired by JSCB to oversee the building improvements, the original plan was reevaluated and modified to reduce the scope for certain buildings. A revised financial plan based on a total estimated cost of \$145 million was submitted to the State Comptroller in April 2009. The State Comptroller approved the new financial plan on June 24, 2009.

The Syracuse Schools Act provides for various financing structures and methods of obtaining project financing. The JSCB can use general obligations. Other financing options available include the use of certificates of participation or installment debt contracts. In addition, the JSCB can elect to utilize Syracuse Industrial Development Agency (“SIDA”) or the State Municipal Bond Bank (“MBB”) to finance its projects. In the event JSCB chooses to finance through SIDA, it must submit an analysis to the MBB demonstrating that an SIDA financing would be more cost effective than an MBB based financing. State aid reimbursements will be based, in part, on the lowest obtainable interest rate which may be a SIDA or MBB actual rate or an estimated rate provided by MBB in the event the JSCB elects to finance through SIDA. The Syracuse Schools Act contains State aid intercept provisions similar to the State Finance Law, Section 99-b, in the event the School District defaults on the payment of principal or interest incurred on obligations issued pursuant to the Syracuse Schools Act.

The American Recovery and Reinvestment Act of 2009 (the “Recovery Act”) amended the Internal Revenue Code (the “Code”), authorizing Qualified School Construction Bonds (“QSCBs”) to provide financing for the construction, rehabilitation or repair of public school facilities, or the acquisition of land on which such facilities are to be constructed with the proceeds of such bonds, or for expenditures for costs of acquisition of equipment to be used in such portion or portions of the public school facility that is being constructed, rehabilitated or repaired with the proceeds of such bonds. Section 54F of the Code provides a national bond limitation authorization for QSCBs of \$11 billion for each of the calendar years 2009 and 2010 (which may be carried forward). Pursuant to Notice 2010-17 issued by the Internal Revenue Service, the State of New York was allocated \$178,782,000 of the 2010 national bond limitation for QSCBs. The State Education Department has assigned a portion of New York’s 2010 QSCB allocation to the City School District in the amount of \$15,000,000 for purposes of issuing QSCBs (the “District’s QSCBs”). Such funds were issued on July 12, 2011 through SIDA and the JSCB.

Payment of the subsidy may be offset against amounts that may be owed to the United States or its agencies by the School District. Subsidy payments could additionally be reduced or discontinued, and/or the timing of their receipt could be changed as a result of changes in the federal law.

Phase I included extensive renovations to four School District buildings (Central Tech, Fowler, HW Smith and Dr. Weeks), and minor renovations at two other School District buildings (Clary and Bellevue Academy at Shea). The JSCB has closed all Phase I projects.

Further details regarding the JSCB and Phase I of the project can be obtained by visiting the JSCB website at <https://www.syr.gov/Boards-and-Commissions/JSCB>.

Legislation authorizing Phase II of the Program at a cost not to exceed \$300 million was enacted on October 25, 2013. Legislation was subsequently enacted on March 17, 2014 specifying 15 buildings to be included in Phase II. The Phase II Comprehensive Plan was adopted by the JSCB on January 29, 2015, amended on July 27, 2017 and approved by the Office of the State Comptroller on January 12, 2018. The Phase II plan was further amended and adopted on September 26, 2019 and approved by the Office of the State Comptroller on January 14, 2020 in accordance with §6 of the Syracuse Schools Act. Such legislation authorized the City to provide interim financing for project costs from the proceeds of City obligations issued in anticipation of permanent financing from any source provided under the Syracuse Schools Act, and the reimbursement to the City for the payment of such obligations from any such source (including permanent financing issued through the Issuer for such purpose).

In March 2018, June 2018 April 2019 and March 2020, \$67,265,000, \$38,500,000, \$65,435,000 and \$80,530,000 were issued pursuant to Phase II legislation, respectively.

Phase II included construction to twelve School District buildings: Bellevue, Blodgett, Ed Smith, Grant, Public Service Leadership Academy at Fowler, Huntington, Corcoran, Nottingham, Clary, Danforth, Expeditionary Learning and Henninger. Phase II construction for all buildings has been completed.

A full copy of the Phase II legislation or financing may be obtained by visiting the website of the New York State Assembly (<http://assembly.state.ny.us>), or by contacting the City’s Municipal Advisor. In addition, further details regarding the JSCB and the status of Phase II of the project can be obtained by visiting the JSCB website: <https://www.syr.gov/Boards-and-Commissions/JSCB>.

Legislation authorizing Phase III of the Program was enacted on November 15, 2021 at a cost not to exceed \$300 million, specifying 10 buildings to be included in Phase III. Subsequent legislation was enacted on October 25, 2023, increasing the cost from \$300 million to \$400 million. The Phase III Comprehensive Plan was adopted by the JSCB on September 25, 2025, and approved by the Office of the State Comptroller on February 11, 2026. Such legislation authorized the City to provide interim financing for project costs from the proceeds of City obligations issued in anticipation of permanent financing from any source provided under the Syracuse Schools Act, and the reimbursement to the City for payment of such obligations from any such source (including permanent financing issued through the Issuer for such purpose).

In January 2025 and January 2026, \$2,000,000 and \$4,000,000 bond anticipation notes were issued pursuant to Phase III legislation, respectively. Bond anticipation notes are anticipated to be issued in July 2026 for additional cash flow needs pursuant to Phase III legislation. See “Capital Project Plans” and “Authorized and Unissued Indebtedness” herein for more information.

Phase III includes construction to ten School District buildings: Corcoran, Delaware, Henninger, Lincoln, Nottingham, Seymour, Syracuse Latin, Syracuse STEM at Blodgett, Roberts, and Webster. Phase III work commenced in the 2025-26 school year.

A full copy of the Phase III legislation or financing may be obtained by visiting the website of the New York State Assembly (<http://assembly.state.ny.us>), or by contacting the City’s Municipal Advisor. In addition, further details regarding the JSCB and the status of Phase III of the project can be obtained by visiting the JSCB website: <https://www.syr.gov/Boards-and-Commissions/JSCB>

STEAM High School

On March 2019, the County Legislature passed a resolution requesting State lawmakers to enact legislation regarding the County’s ability to finance and otherwise assist in the development of a regional STEAM (Science, Technology, Engineering, the Arts and Mathematics) School, which will include programs designed to develop career and industry skills. With the adoption of such State legislation, which occurred as part of the 2020–2021 State budget, the County may now finance the renovation of the School District’s vacant Central Tech School, which will support the creation of the new regional high school at an estimated cost of \$94 million. Enrollment is anticipated to be approximately 1,000 students and will include an admissions process for selection. Construction to convert the Syracuse Central Tech High School to the STEAM High School started in May 2024. The project has received State approval, and curriculum development began in 2022 and is ongoing. The STEAM High School opened in Fall 2025.

On May 5, 2020, the County Legislature authorized the issuance of \$74 million of general obligation serial bonds to support the renovation of the former Central Tech School. The STEAM School is run by the Syracuse City School District and serves students from Syracuse and the suburbs. Debt service on the bonds will be paid with a combination of State aid, grant monies, City and City School District funds. Although general obligations of the County, debt service on the bonds, in the first instance, will be paid by the State and the Syracuse City School District through lease payments to the County. The School District will be leasing the STEAM High School from the County. The lease is anticipated to begin in 2025-26 school year, pending completion of the construction, and the lease is subject to approval by the State Education Department. It is anticipated that the lease payment schedule will be structured to match the County’s debt service schedule. The School District anticipates receiving its 98.0% state building aid ratio on its lease payments to the County in the same fiscal year in which the lease payments are made to the County, up to the maximum cost allowances of the building. The School District would then reimburse the County for construction and renovation costs with the lease aid received.

Educational, Cultural, Medical, and Financial Institutions

Educational Institutions

The following institutions of higher education are located within or in close proximity to the City: Syracuse University, LeMoyne College, Onondaga Community College, SUNY College of Environmental Science and Forestry, and SUNY Upstate Medical University. The combined student population of these institutions is approximately 37,000 (undergraduate and graduate students). Professional and non-professional employment at these institutions exceeds 11,000.

Syracuse University offers a special program designed to benefit students of the School District. Prior to commencing the eighth grade, any student may enter into an agreement with Syracuse University which guarantees their enrollment at Syracuse University following graduation from the School District. Acceptance is subject to certain academic requirements. Students receive tutoring, free of charge, while in high school. Financial aid for college expenses may be provided to students in need of such assistance.

Cultural Institutions

Several museums are located in the City, including, among others, the Everson Museum of Art, the Erie Canal Museum, and the Museum of Science & Technology. The Civic Center-County Building Complex houses County government operations, and additionally serves as a gathering place and public forum for many of the social, educational, business and other activities of the community. The County office building portion of the complex consists of sixteen floors with approximately 316,700 square feet of net office space. A restaurant-cafeteria, a communications center and civil defense headquarters are also included. The cultural center consists of 75,000 square feet of performing art facilities, including a 150-seat community meeting room, a 480-seat theater and a 2,100 seat multi-purpose theater for concerts, opera, ballet, conventions and lectures. A convention center, the ONCENTER, encompasses 208,000 square feet, including a 65,000 square foot exhibit hall for trade shows and 22,000 square feet available for conferences. Construction for a conference hotel located on an adjacent site is expected to begin once the financing for this project has been secured. Preliminary estimates place the hotel's cost at \$61.0 million.

Also located within the City are the Syracuse Opera Company, the Redhouse Arts Center, the Syracuse Stage, the Syracuse City Ballet, the Landmark Theater, the New York State Fairgrounds, the Empower FCU Amphitheater at Lakeview, a class triple-A minor league professional baseball team (the "Syracuse Mets"), and a minor league professional hockey team (the "Syracuse Crunch"). Syracuse University fields various NCAA Division One teams including basketball and football. The JMA Wireless Dome, a large indoor sports arena, hosts many high-profile events.

Medical Institutions

The City is a regional center for a 15-county area for specialized medical services. Four hospitals: Crouse, University Hospital of the SUNY Upstate Medical University, Veterans Administration Hospital, and Hutchings Psychiatric Center, are located adjacent to one another in the university medical complex just east of downtown Syracuse. St. Joseph's Hospital is located to the north of downtown and Upstate Community Hospital is just south of the City. Among these hospitals there are approximately 2,000 beds and more than 1,600 practicing physicians. In addition, the Syracuse area is served by 12 separate extended-care facilities and nursing homes as well as numerous ambulatory facilities.

Financial Institutions

Commercial and Savings Bank located within the City of Syracuse include the following:

Name of Bank

Solvay Bank
Key Bank, N.A.
Geddes Federal Savings and Loan Association
Bank of America, N.A.
Pathfinder Bank
Citizens Bank, N.A.
Manufacturers and Traders Trust Company
Tompkins Community Bank
JPMorgan Chase Bank, N.A.
Community Bank, N.A.
NBT Bank, N.A.

Sources: Federal Deposit Insurance Corporation BankFind Suite and the City.

Transportation

The City is at the juncture of two major transport routes: The State Thruway, extending as Interstate 90 from Boston to Chicago and the West; and Interstate 81, running from Canada to Virginia, connecting via other Interstate highways to Washington D.C. and the South. The State Thruway has six interchanges in close proximity to the City. Interstate 690 forms an east-west axis through the City and Interstate 481 links the City of Fulton with the City and surrounding towns.

The City is served by railroad facilities of CSX consisting of the two main lines formerly operated by Penn Central and Erie Lackawanna Railroads, as well as by several interstate trucking companies which maintain terminals within the City. CSX operates an intermodal center in the County for handling freight shipped in containers or truck trailers. The Syracuse Hancock International Airport has signatory agreements with the following commercial airlines: Allegiant Air, American Airlines, Breeze Airways, Delta Air Lines, Frontier Airlines, JetBlue Airways, Sun Country Airlines, and United Airlines. In addition, the following commuter airlines provide regular service: Mesa Airlines, Endeavor Air, SkyWest, Piedmont, CommuteAir, GoJet, PSA Airlines, Envoy Air, Air Wisconsin and Republic. Air cargo carriers Federal Express and UPS have signatory agreements to utilize the Airport. Rail passenger service is provided by Amtrak. Bus service is provided by three independent carriers in addition to “Centro” operated by the Regional Transportation Authority.

Water transportation is provided by the State owned and operated Barge Canal System, which takes advantage of canals and existing lakes and streams to provide commercial and recreational water transportation. The system, in connection with the Hudson River, allows water travel from New York City through Syracuse to Buffalo and Lake Erie.

Interstate 81

Interstate 81 (I-81) is important to the Syracuse area. The highway serves as a major commuter route, providing access to jobs, businesses and services in downtown Syracuse and the hospitals and institutions on University Hill. It also serves as a national and international north-south trade route from Tennessee to the Canadian border. This connectivity is essential and influences the livability, economic vitality, and sustainability of the Syracuse metropolitan region.

Portions of I-81, which was built in the 1950s and 1960s, are deteriorating and nearing the end of their useful life. Also, sections of I-81 do not meet current standards and are experiencing high accident rates. This is especially true of the 1.4-mile elevated section, or “viaduct,” near downtown Syracuse. The purpose of the I-81 Viaduct Project is to address the structural deficiencies and non-standard highway features in the I-81 corridor while creating an improved corridor through the City that meets transportation needs and provides the transportation infrastructure to support long-range planning efforts (such as SMTCL RTP, Syracuse Comprehensive Plan, and others).

Project Goals:

- Improve safety and create an efficient regional and local transportation system within and through greater Syracuse;
- Provide transportation solutions that enhance the livability, visual quality, sustainability, and economic vitality of greater Syracuse.

The project, which will consist of a Community Grid alternative to the current I-81 structure, will consist of eight contracts, four of which have been awarded by the State. Construction will consist of various improvements, including, among others, new and reconstructed interchanges, various safety enhancements, bridge replacements, and new sidewalks, curb-side parking, and shared-use paths. Construction on contract one commenced in 2023 and is anticipated to be complete by the end of 2025. Construction on contract two commenced in 2023 and is anticipated to be complete by early 2026. Construction on contract three began in 2024, and is anticipated to be complete by 2026. Construction on contract four began in 2024, and is anticipated to be complete by mid-2027. Construction on contract five began in 2025 and is anticipated to be complete by mid-2027. Construction with respect to the final contract, contract eight, is anticipated to be complete by late 2028.

Source: webapps.dot.ny.gov/i-81-viaduct-project (accessed December 18, 2025). Reference to website implies no warranty of accuracy of information therein. Unless otherwise noted such website is not intended to be incorporated into this Official Statement.

The Syracuse Hancock International Airport

General Information

The Syracuse Hancock International Airport (the “Airport”) is located approximately 4.6 miles northeast of the City of Syracuse in the County of Onondaga. Access to the Airport is provided by Interstate 81 and 90, both of which are located within 3 miles of the Airport. The Airport is classified as a small hub primary airport by the Federal Aviation Administration (the “FAA”) and provides both public and military functions. The SRAA is responsible for the day-to-day operation of the airport.

The City signed a non-cancellable lease agreement with the SRAA, effective as of March 1, 2014 for an initial period of forty (40) years. Renewals of the lease term are automatic for additional ten-year terms as discussed in Note 6 of the City’s Audited Financial Statements as of and for the year ended June 30, 2024. Per the lease agreement, the SRAA will lease all premises that comprise the Airport, and will maintain, repair, and operate the Airport, at its own cost and expense. All land acquired and improvements made by or on behalf of the SRAA to the Airport during the term of the agreement shall be deemed property of the City, and title shall vest in the City upon acquisition or completion of the project in which improvements are made.

The SRAA is required to make rental payments to the City equal to the principal and interest due on Airport-related debt issued by the City.

As of the date of this Official Statement, there is no airport-related debt issued by the City outstanding.

Management of the Airport

The Airport is owned by the City and is operated by the Syracuse Regional Airport Authority (the “SRAA”). The SRAA is a public benefit corporation, which was established to provide the necessary tools and support in order to maintain and operate the facilities in a safe, secure and efficient manner. The Authority is organized under the Public Authorities Law of the State of New York.

The SRAA is comprised of eleven (11) members, consisting of: seven members appointed by the Mayor of the City of Syracuse, one member appointed by the Onondaga County Executive, one member appointed by Town Board of the Town of Dewitt, one member appointed by the Board of Education of the East Syracuse Minoa Central School District, and one member appointed on a rotating basis by the Town Board of the Town of Cicero, the Town Board of the Town of Salina, the Town Board of the Town of Clay and the Board of Education of the North Syracuse Central School District.

The following table presents the current voting members of the SRAA, their appointing organization, and their respective term expiration dates.

<u>Voting Member:</u>	<u>Title:</u>	<u>Appointed By:</u>	<u>Term Expiration:</u>
Ms. Jo Anne C. Gagliano	Chair	City of Syracuse Mayor	December 31, 2028
Mr. Michael Frame	Vice-Chair	City of Syracuse Mayor	December 31, 2027
Mr. Nathaniel J. Stevens	Member	Onondaga County Executive	December 31, 2026
Dr. Shiu-Kai Chin	Finance Officer	City of Syracuse Mayor	December 31, 2027
Mr. Michael Mirizio	Member	North Syracuse School Board	December 31, 2027
Mr. Michael J. Lazar	Member	Town Board of the Town of Dewitt	December 31, 2028
Mr. Robert Simpson	Member	City of Syracuse Mayor	December 31, 2026
Ms. Latoya Allen	Member	City of Syracuse Mayor	December 31, 2026
Mr. Kenneth J. Kinsey	Member	City of Syracuse Mayor	December 31, 2028
Mr. Thomas Fernandez	Member	City of Syracuse Mayor	December 31, 2028
Dr. Donna De Siato	Member	East Syracuse Minoa CSD, BOE	December 31, 2028

The following table presents the Regional Advisory Board Members of the SRAA, their appointing organization, and their respective term expiration dates.

<u>Regional Advisory Board Member:</u>	<u>Appointed By:</u>	<u>Term Expiration:</u>
Mr. Brandon Schwerdt	Oswego County Legislature	December 31, 2026
Ms. Jennifer Schultz	Syracuse Common Council	December 31, 2026
Mr. Christopher J. Randall	Onondaga County Legislature	December 31, 2026
Mr. James Genovese	Oneida County Executive	December 31, 2026
Mr. Grant Sussey	Jefferson County Legislature	December 31, 2026
Mr. Keith VanGorder	Cortland County Legislature	December 31, 2026
Mr. Michael Chapman	Cayuga County Legislature	December 31, 2026
Mr. Michael Keville	Madison County Board of Supervisors	December 31, 2026

Pursuant to a lease agreement, the SRAA leases the properties comprising the Airport from the City. A separate legal entity, the SRAA, is included as a discretely presented component unit within the City’s basic financial statements due to the City’s ability to impose its will. In prior years, under the agreement between the City and the SRAA, the SRAA reimbursed the City for certain services that were rendered by employees of the City under the City’s Department of Aviation and certain expenses incurred in the administration and operation of the Airport. Upon expiration or earlier termination of the lease term, the Airport reverts to the City and the City will be required to obtain the operating certificate from the FAA to continue to administer and operate the Airport. Separate audited financial statements are prepared for the SRAA.

Airport Facilities

The Airport occupies a land area of approximately 2,000 acres and has two operational runways and an associated system of taxiways. The passenger terminal complex at Syracuse Hancock International Airport consists of three areas, a South Terminal (Terminal A), a North Terminal B (Terminal B), and a main concourse. The complex occupies approximately 410,000 square feet.

The Airport is serviced by Allegiant Air, American Airlines, Breeze Airways, Delta Air Lines, Frontier Airlines, JetBlue Airways, and United Airlines. Additionally, various minor airlines serve the Airport.

Note: The SRAA has reached out to the City concerning taking ownership of the airport. As of the date of this Official Statement, discussions are preliminary, and no decision has been made.

Source: City officials.

Development Activities

The City offers a variety of development programs designed to promote the rehabilitation of its housing stock as well as the creation and retention of job opportunities for its citizens. City-sponsored development activity is managed by the Department of Neighborhood and Business Development. The primary objective of the City's development program is to ensure a healthy and stable urban community by providing decent housing, a suitable living environment and expanded economic opportunities, principally for low and moderate-income persons. In accordance with this objective, the program gives priority to activities benefiting such income groups. Program funds benefit low-income and moderate-income persons either directly (for example, home rehabilitation loan assistance) or indirectly, such as through infrastructure improvements in low- or moderate-income neighborhoods. The City's five-year objective is to create or retain reasonably priced housing units annually, remove vacant and derelict structures that are not suitable for rehabilitation and that detract from the City's neighborhoods, strategically revitalize the major corridors within neighborhoods, and provide services to individuals that promote or foster self-sufficiency.

The City uses various financial incentives to encourage homeowners and businesses to invest in the community. Funding for these programs is provided through a combination of public and private sources including Community Development Block Grants, State and Federal moneys and bank financing.

Affordable Housing Development

The goals of the programs administered by the City's Department of Neighborhood and Business Development are the rehabilitation and development of housing for low- and middle-income families and the revitalization of the City's neighborhoods. The Department works closely with other agencies, such as the Syracuse Housing Authority, neighborhood organizations, and private housing companies to facilitate the development of new housing opportunities.

The City of Syracuse HOME Program sets out to achieve the objective of housing production and is designed to assist investor-owners in making improvements to their rental units. The HOME Program utilizes HOME funds for use by for-profit and nonprofit housing developers, which rehabilitate or newly construct housing for inclusion into their rental management portfolio. The HOME program annually supports the rehabilitation and/or new construction of quality affordable rental units.

The Department of Community Development works with non-profit developers interested in the construction or renovation of residential units.

The Syracuse Neighborhood Initiative was launched to promote and enhance the quality of life in each of the City's 26 neighborhoods. A partnership among the City, local and national non-profit community development organizations, and private sector leaders was initiated in response to a Congressman's challenge to revitalize the City's distressed neighborhoods.

The City also works with support service agencies to obtain assistance through the Federal McKinney Act Programs for housing for the homeless and housing vulnerable.

The City's Comprehensive Plan 2025 was completed at the end of 2004 to provide guidance for maintenance of the City's infrastructure, land use regulations, neighborhood plans, Federal, State and County investments, and public investments.

Economic Development

The following includes a non-exhaustive list of summaries of recent economic development.

2023 marked the relocation of numerous businesses into the City from the surrounding towns in the County. This includes CXtec, which is relocating 100 employees from the Town of Salina, which opened a new headquarters in the former Sibley's Department Store, now known as 'City Center' at 400 South Salina Street, in Summer 2023. FustCharles, a regional accounting firm, has relocated 60 employees into Merchants Commons in Downtown Syracuse from the Town of DeWitt. ChaseDesign, an industrial design firm that was based in the Village of Skaneateles, recently relocated 90 staff into the redeveloped former Post-Standard Newspaper Headquarters, now known as "The Post". Specialty Welding & Fabricating of New York recently closed, which resulted in the loss of 62 jobs; however, shortly after the announcement of this closure, a regional employer, Midstate Spring, announced that it would be purchasing the facility, relocating their business into the City from the Town of DeWitt, and adding 10 new jobs to its existing workforce of 89 positions.

In October 2022, Micron Technology, Inc. (“Micron”) announced an unprecedented investment of \$100 Billion in four new semiconductor chip manufacturing facilities known as fabs at the White Pines Industrial Park in Clay, New York. This historic investment is anticipated to result in the creation of 9,000 new jobs directly from Micron, and more than 50,000 new jobs in total from suppliers and other firms. This does not include construction jobs and trades that will be used to construct these new chip fab facilities. This will create new local hiring and training opportunities for skills that will be needed to meet Micron’s construction and chip production goals. While not located within the City itself, the projects site is located 12 miles from the City. The City is working closely with Onondaga County, CenterState CEO, and other regional partners to prepare for the impacts this will have on the Central New York region, such as additional needs with infrastructure and housing in order to accommodate this new growth. Preliminary studies predict thousands of new residents will seek to locate within the City, as well as opportunities for new employers that will serve as suppliers to Micron. Furthermore, as the region’s center for employment, entertainment, higher education, and healthcare, the Syracuse area will play a pivotal role in the services needed for these new residents. Micron Technology has completed its administrative offices in Downtown Syracuse, which accommodates up to 80 new individuals that have started working for the company locally. As of the date of this Official Statement, Micron has officially broken ground in January 2026, beginning with site work and the clearing of hundreds of acres of trees. Construction is underway on a new rail spur that will allow the delivery of building materials by rail, and foundations work for the first fab facility will begin in Fall 2026. Current estimates anticipate that the first fabrication plant will open in late 2030, with the second fabrication plant to open late 2033, the third to open late 2037, and the fourth to open late 2041.

JMA Wireless is anticipating undertaking an expansion of its recently completed campus that has opened on Syracuse’s Southside in the former Coyne Laundry property that shuttered in 2015. This phase of the JMA campus, projected to cost \$25 million, will build upon over \$50 million that has already been invested in the campus to-date, and will employ up to 240 individuals in this new state of the art facility.

One of the most dramatic transformations has been the redevelopment of Franklin Square, resulting from the City’s decision to expand the traditional boundaries of its downtown and redevelop an 800-acre waterfront tract adjacent to the Central Business District using its industrial development agency and other development tools. Examples of completed projects include the Lofts at Franklin Square, a mixed-use restoration with 90 residential units and 32,000 sq. ft. of commercial space; the Foundry at Franklin Square a \$7,000,000 conversion of the former Glomac Building into 40,000 sq. ft. of commercial space; and the conversion of the former Hurbson Building into 56,000 sq. ft. of Class A office space also at a cost of \$7,000,000. Additionally, Rapid Response, Inc. has completed its third expansion of its corporate headquarters, employing several hundred individuals and adding 75 new jobs with this latest project.

For more than two decades, since the development of Carousel Center (now Destiny USA), the City has placed considerable emphasis on reclaiming land adjacent to the City’s waterfront. Through the collective efforts of the project partners, a clean-up plan is in place for Onondaga Lake. In 2020, the City completed the second phase of the Onondaga Creekwalk, which is now five miles of multi-use connected trails running through the center of the City along Onondaga Creek. The trail connects the Inner Harbor with Armory Square in Downtown Syracuse and extends to connect to Kirk Park on the City’s southside.

The City’s initiatives also include a neighborhood business corridor improvement strategy which emphasizes the retention of existing businesses and revitalization of existing neighborhood commercial areas through structural and aesthetic improvements. For example, the City launched several Main Street Programs, which have invested \$400,000 and up to \$50,000 per property for improvements along Butternut Circle and South Avenue, which leveraged a 25% private match from the benefiting property owner and/or businesses. Due to the program’s success, SEDCO (the Syracuse Economic Development Corporation) and City staff are expanding funding opportunities to eligible business districts city-wide. Direct benefits of neighborhood business assistance programs include increased private-investment business activity, employment, and the strengthening of surrounding neighborhoods.

The industrial/commercial strategy focuses on preserving the City’s industrial base by promoting the expansion and retention of existing local firms. The City works with a range of financing and business incentive programs offered by various local, state, and federal economic development agencies. Emphasis continues to be placed on packaging business development loans through the Syracuse Economic Development Corporation (SEDCO) and providing industrial development bond financing for manufacturing and other facilities through the Syracuse Industrial Development Agency (SIDA). The City also partners with other local, State, and Federal Economic Development agencies such as the U.S. Small Business Administration, Empire State Development Corporation, and Center State CEO.

In 2016, a local developer completed a \$70 million renovation of the historic Hotel Syracuse; converting it into a full-service Marriott Hotel to serve as the official Onondaga County Convention Center Hotel. In 2020, the facility underwent a second phase adding 54 rooms and making environmental efficiency updates. This \$8 million project made further enhancements to one of Syracuse’s hospitality and conference facilities.

Immediately adjacent to the Marriott Syracuse Downtown is the Salt City Market. Completed and opened in early 2021, this mixed-use new construction development houses a food hall with 13 unique food and retail vendors that are local entrepreneurs, as well as commercial office space and 26 apartments. Immediately adjacent to the Marriott and Salt City Market, the once vacant 14 story Symphony Tower has been renovated into 75 market rate apartments and commercial space and is now occupied with construction completed in early 2024.

The Syracuse Technology Garden is a small business incubator operated by Center State CEO. The facility is home to GENIUS NY, the largest unmanned aerial systems (UAS) business competition in the world, continues to thrive as the Tech Garden has completed a \$22 million vertical expansion, and has been renamed the INSPYRE Innovation Hub, becoming the latest small business incubator facility in New York State. TCGPlayer.com established its headquarters in the City in the Fall of 2018. In May 2025, TCGPlayer.com announced its intent to close its warehouse in the City, affecting approximately 220 employees and fully closed within a few months.

Expanding the supply of market-rate housing in the downtown area is also a priority. Recent highlighted additions to downtown's housing include the Chimes Building and the Post Apartments, which is anticipated to add more than 300 new units of housing in 2026. Downtown's occupancy remains near 99%. Additional development is planned for neighborhoods adjacent to the traditional central business district. With several new projects in the pipeline, the demand for mixed use redevelopment remains very strong.

In the University Hill area, Crouse Hospital recently financed construction of a new emergency operations complex. The Veterans' Hospital has substantially improved and expanded its facility with a private medical center, has added 50,000 sq. ft. to its facility, and completed an \$86 million Spinal Cord Injury Center. SUNY Upstate Medical University has completed the construction of a \$36 million academic building, an \$85 million Cancer Center, and the new \$140 million Nappi Longevity Institute that opened in 2023. SUNY ESF completed construction of its Centennial Hall project, providing additional housing for its students on the ESF campus.

On the City's Northside, Saint Joseph's Hospital has completed the second phase of its expansion, which includes a six-story building that will house 110 private rooms, a surgical suite with 14 operating rooms, intensive care units, and other facilities.

On the City's Southside, Syracuse University's Falcone Center for Entrepreneurship is implementing several initiatives to encourage entrepreneurial growth on the Southside, including the Southside Innovation Center for new businesses, a micro loan fund, and technical assistance for Southside businesses. The City is collaborating with a number of neighborhood-based economic development partners to encourage the revitalization of the South Salina Street business corridor, which is evidenced by the opening of the Eat to Live Food Cooperative on South Salina Street.

Within the past year, three new hotel/hospitality projects have been announced within the City, intended to expand the number of available hotel rooms and service the convention and tourism industry. Downtown Syracuse is anticipated to see a new \$87 million hotel that is anticipated to provide 245 new units, which will be located on the 300 Block of South Warren Street on the site of a blighted condemned parking garage and vacant commercial land. The other two hotels, one in the University Hill Area near Syracuse University, and the other in the Syracuse Inner Harbor, will further grow the tax base, add new rooms, and will grow the City's new hotel occupancy tax that was implemented in 2025.

NY Bus Sales intends to relocate a parts supply and commercial sales operation into the City from Madison County, and is anticipated to break ground this year on a new \$15 million facility at 801 Hiawatha Blvd. The project is anticipated to result in the relocation of 100 jobs to Syracuse and create an additional 20 new positions.

The County is in the process of adding an aquarium to the City's Inner Harbor. Construction has commenced, and is anticipated to cost \$100 million. It is anticipated that construction on the aquarium will be complete in 2026.

Within the past year new projects have been announced including the Onondaga Hotel in Downtown Syracuse, as well as a new emergency room/ER expansion at SUNY Upstate, with \$450 million being invested by the State of New York into this new state of the art medical treatment facility. A timeline for this project has not yet been determined. Furthermore, Syracuse University is currently constructing three new large student dormitory facilities on their campus, and is planning to break ground later this year on a new hotel.

Additionally, the redevelopment of the former Syracuse Developmental Center (SDC) at 800 S. Wilbur Avenue started in early 2024 with the \$29 million in demolition and new infrastructure and the construction of over \$120 million of new affordable housing with approximately 280 units in Phase I. This is a multi-phase redevelopment of City-owned land that is anticipated to result in over 500 units and over \$300 million in new investment over the next 3-5 years. Work also is continuing on the City's Resurgent Neighborhoods Initiative (RNI), with more than 32 affordable housing units completed or underway, with another 59 units in the final planning stages. This includes Creekside Landing, a \$31 million scattered site redevelopment in Syracuse's Southwest Neighborhood was completed and opened in 2025. Furthermore, progress is advancing on the transformation of the new 15th Ward/East Adams Neighborhood, with the ongoing work on BluePrint 15, the City, and the Syracuse Housing Authority to replace 293 units with new quality affordable housing, while eliminating other barriers such as a lack of childcare and economic opportunity. Projects within the East Adams Neighborhood include the Children Rising Center, which will create new early childhood education and day care opportunities for neighborhood residents, and Universal Broadband to increase high speed internet access within the new 15th Ward.

In 2019, the City launched an economic development strategy called Syracuse Surge, which includes various investments in technology. The City's first investment in digital infrastructure was a \$28 million investment to acquire the city's 17,000+ streetlights from the local utility company and install an LED-based fully connected streetlight network. All of the City's streetlights are now converted to LED technology, estimated to save the City about \$3 million annually in maintenance and energy costs. This "Smart Streetlight Project" was recognized by the New York Power Authority (NYPA) as one of the most innovative projects in New York in 2019—Syracuse was awarded \$500,000 by NYPA and named "New York's Flagship Smart City." The connected lighting network is able to transmit data about the functionality of each light so that the City can proactively address outages and offer more effective and equitable lighting services to all neighborhoods in the City. The network is also capable of supporting sensors and other technologies that will be deployed in future years to monitor conditions of city roads, water infrastructure, and other data that can enable the City to operate more efficiently. In April 2019, JPMorgan Chase awarded the City a \$3 million grant for Syracuse Surge as part of JPMC's the Advancing Cities program to develop job training and workforce inclusion initiatives for high-tech sectors and entrepreneurship. The Advancing Cities Program, managed by the City's regional economic development partner, CenterState CEO, is implementing several initiatives to fund job training and apprenticeship programs for coding, software development, and other digitally-enabled fields; support and grow minority-owned tech startups; and give established companies in Central New York employee retention tools focused on attracting and retaining diverse talent.

The City offers various financial incentives in an effort to stimulate private investment by commercial and industrial businesses. Among other benefits, programs provide incentives in the form of below-market-rate term loans. The proceeds of such loans generally must be expended on capital assets used in a business or trade. Certain programs are limited to improving or expanding existing facilities while others permit the loans to be applied to a new venture. In addition to loan programs, real estate projects may be eligible for a partial exemption from property taxes pursuant to Section 485-b and Section 485-a of the Real Property Tax Law, as well as through the Syracuse Industrial Development Agency (SIDA).

The Department of Neighborhood & Business Development works with other City departments as well as other government agencies, lending institutions, and economic development agencies to assist companies with relocation plans and financing options. An expedited permitting process has been implemented, which includes the opportunity for a pre-development meeting with businesses and developers who wish to expand or build within the City, and the assignment of case managers to assist them in their planning and development activities.

Projects are approved by the City's Central Permit Office (CPO). With respect to the 2025 fiscal year, the Central Permit Office (CPO) finished another strong year of private economic development in the City. All development requires Building Permitting and with a very competitive housing market, matched with anticipated growth throughout the entire region gearing up for the arrival of microchip manufacturer giant Micron, and on top of the future removal of the elevated portion of Interstate-81, it is obvious why the City continues to see investments that will reshape the City with both private and public economic development dollars enhancing living, working, and entertaining here for years to come.

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A summary of the major economic development programs provided by the City follows:

Economic Development Programs

Program	Administrator	Program Eligibility	Program Benefits
SEDCO Direct Loans	Syracuse Economic Development Corporation	Commercial, retail or industrial. Private sector financing including minimum 10% equity. Job creation and retention.	50% of Project Costs up to \$125,000 – low interest.
Economic Development Fund	Empire State Development Corp.	Job creation and retention.	No minimum or maximum. Program will be developed for specific company needs. Interest subsidy, grants, and/or low interest loans.
Industrial Facilities	Syracuse Industrial Development Agency	Acquisition, construction or tax- exempt and taxable revenue bonds.	Financing up to 100% Improvement of manufacturing costs. Sales tax exemption on construction materials. Exempt from mortgage tax.
Real Property Tax Law Section 485-b	City Assessment Department	Nonresidential property. Construction, alteration, installation, or improvement after January 1, 1976 with excess of \$10,000.	Property tax exemption for 10 years. Maximum 50%, decline 5% per year.
Real Property Tax Law Section 485-a	City Assessment Department	Nonresidential property converted to a mix of residential and commercial uses.	100% exemption of exemption base for the first 8 years. Declines by 20% per year in years 9-12. Full assessment in year 13.
Central New York Energy Smart Communities	NYSERDA	Any business.	Energy efficiency programs.
Brownfield Opportunity Area (BOA) Program	New York State Department of State	There are two designated areas for the BOA program: The Gateway section of South Salina Street and Erie Blvd East approximately between Beech and Thompson Streets.	\$500,000 grant will result in a comprehensive market analysis tool and 3-4 Brownfield sites will be nominated for site investigation.
Environmental Restoration Program (ERP)	New York State Department of Environmental Restoration	All Brownfield sites that are either owned or have the potential to be acquired by the City could be eligible for the Program, although they need to be deemed eligible by the NYS-DEC.	90% of the costs for site investigation and remediation are reimbursable by the State.
Micro Loan Program	Syracuse Cooperative Federal Credit Union (SCFCU)	New and emerging businesses. Collaborative program – SCFCU, Innovation Center, SEDCO.	Loans up to \$10,000 for new and emerging businesses with focus on M/WBES.
Working Capital Program	SCFCU	City and NFP housing projects	Loans up to \$10,000 for working capital on City and NFP housing projects. SEDCO provides a portion of the financing.
CNY Housing Fund	Community Preservation Corporation & CenterState CEO	\$30 Million loan fund being managed by CPC that can be used to offset costs for construction financing for multi-family housing projects within a 6-county region within Central New York	Construction financing terms for up to two-years with flexible low interest financing rates for residential and mixed-use projects

Source: City officials.

As of the date of this Official Statement, the City anticipates the sale of City Hall Commons at 201 E. Washington Street in the amount of \$850,000, which is anticipated to break ground in early 2027. The developer is currently working to secure the bank financing needed in order to begin renovation work, and the project has recently secured local approvals including from the City Planning Commission and landmark Preservation Board on the design and land use.

On March 21, 2024, it was announced that the City issued Requests for Proposals (“RFP”) to repurpose and redevelop three aging buildings used by the School District. The properties are the School District’s Administrative Offices on Harrison Street, the Johnson Vocational Center on East Genesee Street, and the maintenance facility in the former Smith Vocational Tech building on Park Avenue. The project for the School District’s Administrative Offices on Harrison Street received an offer but is still under negotiation and is not expected to be complete until late 2026. The RFP committee for the Johnson Vocational Center project selected Pennrose Development to develop a 138 unit mixed-income, mixed use development on the site. The City is currently finalizing an agreement with the developer in order to begin planning and pursue a groundbreaking on the project in 2027.

A non-exhaustive list of recent or in-progress economic development projects undertaken within the City within the past five years is as follows on the following page:

Economic Development Projects

Project Name	Total Development Cost	Estimated Start Date	Estimated Completion Date	Total Project Sq. Ft.	Construction Jobs	Retained/New Jobs
Grange Realty Associates, LLC	3,069,000	1/1/2016	6/30/2018	23,720	20	-
Butternut Crossing Commercial Enterprises	900,514	6/30/2017	12/31/2018	3,870	33	-
900 East Fayette Group, LLC	8,619,415	6/30/2016	12/31/2019	53,400	168	1
State Tower Building LLC	41,660,000	7/1/2017	12/31/2018	N/A	N/A	N/A
Empire Syracuse, LLC	9,355,744	1/1/2017	4/1/2018	95,600	60	2
Maguire Family Limited Partnership	15,783,742	1/1/2021	12/31/2023	59,800	45	121
Oak Knitting Mill Commons, LLC	9,745,856	1/1/2017	6/30/2018	68,000	150	-
Addis Building LLC	5,572,246	1/1/2018	12/31/2020	37,500	83	-
Symphony Tower LLC	19,000,000	1/1/2023	7/1/2024	129,000	226	52
Joint School Construction Board Bonds (Series 2017)	29,260,000	1/1/2017	12/31/2018	-	-	-
BVSHSSF Syracuse, LLC (Peak Campus Project)	66,607,356	1/1/2017	10/1/2018	421,482	220	15
CGUSL Ventures, LLC (Southside Genesee Associates)	46,380,320	1/1/2017	10/1/2018	128,830	200	7
Syracuse 727 (Campus Plaza Project)	40,520,000	1/1/2017	12/31/2018	168,400	150	56
Crouse Hospital Emergency Room Expansion	38,000,000	1/1/2016	6/30/2018	21,000	N/A	40
Armory Boys LLC	1,281,000	10/1/2017	12/31/2019	18,000	20	1
415 South Clinton Street, LLC	2,098,184	7/1/2019	12/31/2020	21,000	20	3
321 South Salina Street LLC	4,328,720	1/1/2018	6/30/2019	37,000	168	19
Joint School Construction Board Bonds (Series 2018 A)	67,265,000	1/1/2018	12/31/2022	-	-	-
Ascension Gaming Network (TCG Player)	2,681,500	10/1/2018	12/31/2019	45,000	5	329
Joint School Construction Board Bonds (Series 2018 B)	38,500,000	1/1/2018	12/31/2022	-	-	-
Gerharz Equipment Inc.	4,965,000	10/1/2018	12/31/2019	85,000	125	48
300 Washington St LLC	35,087,000	1/1/2020	6/30/2022	337,376	800	6
Towers Realty LR,Ltd.	19,401,479	1/1/2019	12/31/2021	685,000	296	1,506
Acropolis Center LLC	10,338,938	1/1/2019	4/1/2022	123,500	65	95
Deys Plaza LLC	3,704,000	1/1/2018	7/1/2020	71,111	30	101
Commonspace Warren LLC	12,114,112	1/1/2020	12/31/2021	83,365	15	71
Joint School Construction Board 2019 A Series Bonds	65,435,000	1/1/2019	12/31/2021	N/A	N/A	N/A
Salina 1st LLC	11,330,232	7/1/2022	12/31/2024	51,000	70	39
Seneca Armory Associates LLC	2,872,400	1/1/2020	12/31/2022	28,868	50	35
Alan Byer Auto Sales Inc.	3,365,000	10/1/2019	12/31/2020	25,820	-	93
Syracuse Community Hotel Restoration LLC (Phase II)	8,190,000	1/1/2020	6/30/2021	N/A	N/A	N/A
Jasso Properties LLC	3,088,391	1/1/2022	12/31/2024	50,000	80	12
Smith Building LLC	6,596,160	7/1/2021	6/30/2022	31,196	50	-
Joint School Construction Board 2020 A Series Bonds	80,530,000	1/1/2020	12/31/2023	N/A	N/A	N/A
Syracuse Hancock International Airport Terminal Expansion	62,000,000	10/1/2017	7/1/2019	147,000	N/A	N/A
Commonspace Warren LLC	2,300,000	6/30/2020	12/31/2021	N/A	N/A	N/A
JMA Tech Properties LLC	26,027,000	1/1/2020	7/1/2022	118,502	50	100
Ranalli ALA, LLC	9,890,000	1/1/2020	6/30/2022	99,800	150	42
Dupli Associates LLC	19,747,799	7/1/2017	6/30/2020	211,800	254	128
Syracuse Urban Partnership	29,163,609	7/1/2019	2/1/2021	80,000	60	9
Syracuse University Carrier Dome Roof Replacement	112,000,000	1/1/2020	10/1/2020	N/A	N/A	N/A
JSCB 2021A	26,440,000	1/1/2021	1/2/2025	N/A	N/A	N/A
Rapid Response Monitoring Services Inc.	5,500,000	6/30/2018	12/31/2019	N/A	N/A	N/A
444 East Genesee Street LLC	4,104,846	1/1/2021	12/31/2022	27,000	60	5
400 West Division Street, LLC	19,086,000	7/1/2021	12/31/2023	54,000	50	75
313 S. Salina St LLC	2,813,712	1/1/2024	12/31/2024	20,592	30	3
101 North Salina St. LLC	19,115,532	1/1/2021	4/1/2023	80,000	200	238
1970 W. Fayette LLC	6,121,299	1/1/2021	12/31/2022	36,400	35	25
Beacon Armory LLC	7,500,000	1/1/2021	12/31/2022	42,900	40	2
The Syracuse Flat Iron, LLC	2,277,806	1/1/2026	7/1/2027	9,359	40	5
Syracuse Bread Factory	16,090,000	1/1/2024	7/1/2025	64,400	80	33
Intrepid Lane Endoscopy & Surgery Center	6,861,790	7/1/2022	4/1/2023	61,088	54	20
400 South Salina Street LLC	37,018,166	1/1/2021	7/1/2023	N/A	N/A	N/A
Jema's Gridley LLC	16,050,199	1/1/2022	4/1/2023	392,316	126	21
Wellington Place Apartments	52,000,000	1/1/2022	9/1/2023	N/A	N/A	N/A
Syracuse Community Health Center Expansion	22,500,000	1/2/2022	12/31/2023	N/A	N/A	N/A
SUNY Upstate Nappi Wellness Center	158,000,000	1/1/2021	12/31/2023	209,000	N/A	150
Syracuse STEAM School	74,000,000	1/1/2024	8/31/2025	149,000	N/A	N/A
Syracuse Technology Garden Expansion	16,000,000	7/1/2023	6/30/2025	46,000	N/A	230
Former Syracuse Developmental Center Redevelopment	50,000,000	7/1/2024	12/31/2028	660,000	111	200
Franciscan Center/Maria Regina Campus Redevelopment	78,000,000	11/1/2025	12/31/2027	100,000	N/A	N/A
Jema's Fayette Park	16,734,157	4/1/2025	12/31/2026	38,000	50	2
Chimes Building Redevelopment	46,000,000	10/1/2024	1/30/2026	120,000	90	2
COR Aerie Senior Housing	28,765,000	7/1/2025	7/1/2027	45,000	50	2
1153 West Fayette - New Public Safety Headquarters	31,000,000	12/1/2024	3/31/2026	104,000	120	0
Crowne Plaza Hotel Redevelopment	25,000,000	10/1/2024	8/31/2025	100,000	80	2
Gateway	123,759,624	4/30/2027	7/1/2029	125,000	120	6
250 Harrison LLC	13,000,000	3/31/2025	7/1/2026	30,000	45	2
NY Bus Sales Relocation & Expansion	15,000,000	6/30/2025	12/31/2026	80,000	75	120
City Hall Commons Development	19,700,000	12/31/2026	6/30/2028	49,000	40	1
The Onondaga Hotel	87,000,000	10/1/2026	6/30/2028	160,000	180	52
311 Genant Drive	22,500,000	6/1/2026	12/31/2027	65,000	55	-
411-13 University Avenue	5,900,000	9/1/2026	12/31/2027	20,000	30	-

Source: City officials.

Population Trends

	2000	2010	2020	2025 ⁽¹⁾
City	146,464	145,170	148,620	144,896
County	458,336	467,026	476,516	466,584
Syracuse MSA	650,154	662,577	662,057	652,273
State	18,976,457	19,378,102	20,201,249	20,002,427

⁽¹⁾ Estimates.

Note: The Syracuse MSA consists of Onondaga, Madison, and Oswego Counties.

Source: U.S. Census Bureau.

Selected Wealth and Income Indicators

Per capita income statistics are available for the City, 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 Family Income		
	2006- 2010	2016- 2020	2020- 2024	2006- 2010	2016- 2020	2020- 2024
City	\$17,866	\$23,471	\$28,393	\$37,384	\$48,072	\$59,913
County	27,037	34,600	43,166	65,929	82,368	101,959
State	30,948	40,898	50,712	67,405	87,270	106,873

Source: 2006-2010, 2016-2020, and 2020-2024 American Community Survey 5-Year data.

Note: 2021-2025 American Community Survey 5-Year data is unavailable as of the date of this Official Statement.

Syracuse MSA Employment Data

	Annual Averages				
	2021	2022	2023	2024	2025
Total Nonfarm	299.3	307.8	310.5	315.1	316.5
Mining, Logging, and Construction	13.2	13.6	13.2	12.9	12.1
Manufacturing	24.6	25.3	25.3	25.4	25.0
Trade, Transportation, and Utilities	56.9	60.7	62.3	62.9	60.3
Information	3.6	3.6	3.4	2.9	2.7
Financial Activities	14.0	14.1	13.6	13.3	12.8
Professional and Business Services	35.4	36.1	36.3	38.8	40.4
Education and Health Services	59.9	59.0	59.1	59.9	64.4
Leisure and Hospitality	24.7	27.4	27.6	27.5	26.0
Other Services	10.9	11.2	11.6	11.6	11.3.
Government	56.2	57.0	58.1	59.9	65.1

Notes: Number of persons, in thousands, not seasonally adjusted.

The Syracuse MSA consists of Onondaga, Madison, and Oswego Counties.

Source: US Bureau of Labor Statistics.

Larger Employers of the County of Onondaga

Listed below are the major industrial and service-related employers in the County and the number of employees:

<u>Rank</u>	<u>Name</u>	<u>Employees</u>
1.	SUNY Upstate Medical University	12,103
2.	Syracuse University	5,696
3.	Wegmans Food Markets, Inc.	5,110
4.	Walmart	4,600 ⁽¹⁾
5.	Lockheed Martin	4,100
6.	St. Joseph's Health	4,000
7.	National Grid	3,278
8.	Crouse Health	3,200
9.	Loretto	2,500
10.	Target Corp.	2,400

⁽¹⁾ Source estimate.

Source: CNY Business Journal Book of Lists 2025.

Unemployment Rate Statistics

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

	<u>Annual Averages</u>							
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Onondaga County	3.9%	3.7%	7.9%	4.9%	3.3%	3.3%	3.5%	3.6%
Syracuse MSA	4.2	4.0	8.0	5.0	3.5	3.5	3.6	3.7
New York State	4.1	3.9	9.8	7.1	4.3	4.1	4.3	4.3

	<u>2026 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Onondaga County	4.0%	4.3%	3.9%	N/A	N/A	N/A
Syracuse MSA	4.3	4.6	4.2	N/A	N/A	N/A
New York State	4.7	5.2	4.4	N/A	N/A	N/A

Notes: Unemployment rates for April, May and June 2026 are unavailable as of the date of this Official Statement. The Syracuse MSA consists of Onondaga, Madison, and Oswego Counties.

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

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Employees

The City employs approximately 1,985 total people in full- and part-time capacities. Employees of the City are represented by the following collective bargaining organizations:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
356	Police Benevolent Association	December 31, 2027
376	International Association of Firefighters – Local 280	June 30, 2026
346	American Federation of State, City and Municipal Employees – Local 400	December 31, 2025 ⁽¹⁾
213	Civil Service Employees’ Assoc.	December 31, 2025 ⁽¹⁾
51	School Crossing Guards, Local 834 CSEA	June 30, 2026
47	American Federation of State, City and Municipal Employees – Local 1773	December 31, 2025 ⁽¹⁾
33	Syracuse Building Trades Council	December 31, 2025 ⁽¹⁾
33	Middle Management Local 3952, AFSCME, Council 66	December 31, 2028
4	Deputy Chiefs of Fire – International Association of Firefighters – Local 280	June 30, 2026

⁽¹⁾ Currently under negotiation.

Source: City officials.

The School District employs approximately 5,597 people in full- and part-time capacities. Employees of the School District are represented by the following collective bargaining organizations:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
2,414	Unit #1 Syracuse Teachers Association	June 30, 2029
162	Unit #2 Syracuse Adm. & Super.	June 30, 2029
71	Unit #3 Management Confidential	June 30, 2029
39	Unit #5 Maintenance and Trades	June 30, 2029
266	Unit #6 Custodial	June 30, 2030
208	Unit #7 Food Service Operators	June 30, 2029
926	Unit #8 Assistants & Attendants	June 30, 2029
320	Unit #9 Clerical Employees	June 30, 2030
82	Unit #10 Health Services	June 30, 2029
98	Unit #11 Cafeteria Mgrs., Non-Cert. Supers.	June 30, 2026
2	Unit #12 Native American Studies	June 30, 2029

Source: City and School District officials.

Form of Government

The Common Council is the legislative body of the City and consists of a Council President, four members elected at-large to serve four-year terms, and five district members elected to serve two-year terms. Pursuant to the City’s Charter, the President and all councilors-at-large may serve no more than two consecutive terms. District councilors are limited to four consecutive two-year terms. It is the responsibility of the Common Council to approve all legislation, including ordinances and local laws, and to adopt and modify as required the City’s operating and capital budgets, to levy real property taxes, to and authorize the issuance of all indebtedness.

The Mayor is elected at a general election to serve a four-year term and may succeed for one additional term. The current Mayor was elected in November 2025, with her first four-year term commencing on January 1, 2026. According to the City Charter, the Mayor is the Chief Executive Officer of the City and appoints all department heads (except the City Auditor, who is elected) to serve at the Mayor’s pleasure. The Mayor is responsible for the day-to-day operations of the City government. The Mayor may advise the Council on various matters, attend meetings of this body and express her views at such times. Although the Mayor does not have a vote on the Common Council, the Charter does provide the Mayor with veto authority over local laws and ordinances. The Common Council may override a mayoral veto subject to the terms and conditions specified in the Charter.

The City Auditor is elected at-large to serve a four-year term with a limit of two consecutive terms. Pursuant to the City Charter, the Auditor annually examines the records and transactions of every officer, department and board of the City including the Board of Education and the Syracuse Housing Authority.

The City Clerk is appointed by the Common Council to serve a two-year term. The Clerk maintains the minutes of the proceedings of the Common Council and a record of all ordinances enacted by the Council and approved by the Mayor. Other duties of this office include issuing various licenses and permits as provided by law.

The Commissioner of Finance is appointed by the Mayor and functions as the Chief Fiscal Officer of the City and School District. It is the duty of the Commissioner of Finance to collect all taxes and assessments levied against City properties. Accounting records are maintained by the Commissioner of Finance who also prepares the annual financial statements of the City. The Commissioner of Finance invests funds and manages the debt program.

The School District is governed by an independently elected seven-member Board of Education. Members are elected at-large to serve four-year terms. There is no restriction as to the number of terms that may be served. The Board of Education is responsible for managing the school system in accordance with the provisions of the State Education Law. A Superintendent of Schools is appointed by the Board of Education to administer policy and supervise the day- to-day activities of the School District. The School District prepares its own financial statements, which are audited separately from the financial statements of the City; however, the School District is included as a component unit in the City's financial statements.

Budgetary Procedures

The Director of the Office of Management and Budget (the "Budget Director") has the primary responsibility for preparing the City's annual operating budget, supervising the execution of the operating budget and reporting budgetary variances to the Mayor. The School District proposes a separate budget that is approved by the Board of Education after a public hearing. Thereafter, the School District's budget is transmitted to the City's Budget Director for inclusion in the Citywide budget.

The Budget Director begins to compile budget data on or before February 6, at which time the various offices, departments, and agencies of the City (including the School District) submit estimates of the operating requirements for the next fiscal year. Upon completing the review of the estimates and any related supporting documentation, the Budget Director prepares and transmits the budget, together with a detailed work program, to the Mayor on or before March 18.

The Capital Improvement Plan (the "CIP") is completed in the Fall of each year. All large City departments project capital needs for the succeeding 6-year period. Their projections are submitted, reviewed and vetted by the Budget Department. After review, the CIP is sent to the Mayor for further review and any necessary changes. Once complete, the CIP is sent to the Common Council on or around December 31. The CIP is not voted on.

The Mayor reviews the budget and work program and, in the process, may hear the views of any office, department or board. Following the Mayor's review, the Mayor approves the budget and work program in its original form or with such changes as the Mayor deems appropriate. The Mayor must cause a copy of the budget to be published in the City's official newspaper. Copies of the budget and work plan must also be provided to each member of the Common Council as well as each City office, department and board. The Mayor is required to formally transmit the budget to the Common Council no later than April 8.

The Common Council must conduct a public hearing on the proposed budget submitted by the Mayor. A notice specifying the date, time, and place for the hearing must be published at least once in the official newspaper of the City. Members of the public may express their views at the budget hearing, but the public does not actually vote on the proposed budget. After the hearing, but not later than May 8, the Council must adopt the budget as presented or as amended by it. Except for amounts appropriated for lawful judgments, the Common Council may make whatever other changes in the line items for revenue estimates or appropriations it deems necessary. Such changes must be stated separately and distinctly from the original line items submitted by the Mayor. The Common Council may also change the total revenues and expenditures set forth in the Mayor's budget.

If the Common Council makes no changes to the budget, then the budget, as submitted by the Mayor, is deemed to be adopted and no further action is required. However, if the budget approved by the Common Council contains changes, the City Clerk must present such budget to the Mayor who may either sign the budget or return it to the Common Council with a list of objections. The Common Council must reconsider those items objected to by the Mayor and affirm such changes by a two-thirds vote of its members. If the Mayor fails to return the budget, as modified by the Common Council, to the City Clerk within 10 days, the budget is deemed to be adopted. Furthermore, if the budget has not been adopted by June 1, the budget with such changes to which the Mayor did not express objection, shall be the budget for the ensuing year.

Budgetary control is the responsibility of the Budget Director. Upon adoption of the budget, the Budget Director must prepare an allocation schedule of the appropriations for the various units of the City. Approved budgetary allocations must be certified to the Commissioner of Finance and the managers of the various organizational units. The Commissioner of Finance shall not approve any commitment or expenditure which fails to conform to the certified allocation schedule.

The Budget Director monitors the budget throughout the year and reports any significant variances therefrom to the Mayor. Pursuant to Charter, no expenditure or contract to expend money or liability may be incurred unless an appropriation for such purpose is available in the budget. If the Mayor determines at any time that estimated revenues and appropriated fund balances are less than the total appropriations, the Mayor must revise the budget to ensure that expenditures do not exceed available resources.

Modifications to the budget may be made by the Mayor during the year. The Mayor may transfer line items within an office or department. Transfers between offices or departments must be approved by the Common Council. The City's independent auditors interpret this provision to require Council approval for temporary interfund advances. The City's administration, however, disagrees with the auditors' view because such advances do not constitute a transfer of spending authority. An appropriation of surplus revenue or unanticipated funds for expenditure during a fiscal year also requires an ordinance of the Common Council.

The City has voted to override its tax cap for the fiscal years ending June 30, 2024 through June 30, 2026.

Budget Amendment (Fiscal 2023-2024)

On June 9, 2023 a Special Common Council meeting was held to request a Local Law to amend Ordinance No. 251-2023, the Fiscal Year 2023-2024 adopted budget, to correct an error in the assessment assumptions underlying said Budget that was previously approved on May 8, 2023. The preliminary tax assessment roll used to inform the budget included two significant tax-exempt parcels. The assessment roll error was identified and corrected after the budget was approved. If the property tax levy approved in the budget was left unchanged, the corrected assessment roll would have resulted in a tax rate increase larger than the 2% contemplated in the budget. As this error was discovered following the adoption of the Fiscal Year 2023-2024 Budget and past the June 1 effective date of the City Budget set by Section 6-102 of the City Charter, it was necessary for the City to pass a Local Law to amend the budget. Said amendment occurred on June 14, 2023.

The Local Law authorized an amendment to the Fiscal Year 2023-2024 Budget to increase the use of an additional \$5,736,548 of Fund Balance and reduce the tax levy by the same amount. The reduced levy would result in the intended 2% tax increase, based on the corrected assessment.

Such action was necessary due to the need to have a corrected City Budget in place on July 1, 2023 and to avoid an unnecessary, unanticipated increase in the City Tax Levy.

No amendment was required for the 2024-2025 or 2025-2026 budgets.

State Aid

A substantial portion of the State aid received is directed to be used for specific programs. 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 City, in any year or future years, the City 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 City, 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 City. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See "MARKET AND RISK FACTORS" herein.)

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State Aid to School Districts

State Aid History

School district fiscal year (2021-2022): The State's 2021-22 Budget includes \$29.5 billion in state aid to school districts, and significantly increased funding for schools and local governments, including a \$1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget includes the use of \$13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which includes, in part, the allocation of \$629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, \$105 million of federal funds are to be allocated to expand full-day kindergarten programs. Under the budget, school districts are to be reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year.

School district fiscal year (2022-2023): The State's 2022-23 Enacted Budget provides \$31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. This represents an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and includes a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also programs \$14 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, is designed to assist public schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Enacted Budget allocates \$100 million over two years for a new State matching fund for school districts with the highest needs to support efforts to address student well-being and learning loss. In addition, the State's 2022-23 Enacted Budget increases federal funds by \$125 million to expand access to full-day prekindergarten programs for four-year-old children in school districts statewide in the 2022-23 school year.

School District fiscal year (2023-2024): The State's 2023-24 Enacted Budget included \$34.5 billion for school aid, an increase of \$3.1 billion or 10%, which was the highest level of State aid to date. The States 2023-24 Budget also provided a \$2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provided \$134 million to increase access to free school meals. An additional \$20 million in grant funding established new Early College High School and Pathways in Technology Early College High School Programs. An investment of \$10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges was made to promote job readiness. An additional \$150 million was used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

School district fiscal year (2024-2025): The State's 2024-25 Enacted Budget provides \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of \$1.3 billion compared to the 2023-24 school year and includes a \$934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintains the "save harmless" provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

School district fiscal year (2025-2026): The State's 2025-26 Budget includes approximately \$37 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of \$1.7 billion. The State's 2025-26 Budget provides an estimated \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. The State's 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

Provisions in the State's 2025-26 Enacted Budget grant the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provides that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of \$2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

The State's 2026-27 Executive Budget includes \$39.3 billion in State funding to school districts for the 2026-27 school year, an estimated year-to-year funding increase of \$1.6 billion. The State's 2026-27 Executive Budget includes \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and includes a 1% minimum increase in Foundation Aid to all school districts. The State's 2026-27 Executive Budget also includes an increase of \$561 million in Universal Pre-Kindergarten Aid to ensure universal full-day Pre-K for all four-year-olds in the State by the start of the State's 2029 fiscal year.

Federal Aid Received by the State

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 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.

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 new 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.

President Trump signed an executive order that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The executive order aims to minimize the federal role in education but stops short of completely closing the Department as this would require 60 votes in the U.S. Senate. President Trump also indicated his preference that critical functions, like distributing Individuals with Disabilities Education Act funding, would be the responsibility of other federal agencies. The impact that the executive order will have on the State and school districts in the State is unknown at this time.

State Aid Litigation

In January 2001, the State Supreme Court issued a decision in Campaign for Fiscal Equity v. New York ("CFE") mandating that the system of apportionment of State aid to school districts within the State be restructured by the Governor and the State Legislature. On June 25, 2002, the Appellate Division of the State Supreme Court reversed that decision. On June 26, 2003, the State Court of Appeals, the highest court in the State, reversed the Appellate Division, holding that the State must, by July 30, 2004, ascertain the actual cost of providing a sound basic education, enact reforms to the system of school funding and ensure a system of accountability for such reforms. The Court of Appeals further modified the decision of the Appellate Division by deciding against a Statewide remedy and instead limited its ruling solely to the New York City school system.

After further litigation, on appeal in 2006, the Court of Appeals held that \$1.93 billion of additional funds for the New York City schools – as initially proposed by the Governor and presented to the Legislature as an amount sufficient to provide a sound basic education – was reasonably determined. State legislative reforms in the wake of the CFE decision included increased accountability for expenditure of State funds and collapsing over 30 categories of school aid for school districts in the State into one classroom operating formula referred to as Foundation Aid. The stated purpose of Foundation Aid is to prioritize funding distribution based upon student need. As a result of the Court of Appeals ruling schools were to receive \$5.5 billion increase in Foundation Aid over a four fiscal year phase-in covering 2007 to 2011.

A case related to the CFE was heard on appeal on May 30, 2017 in New Yorkers for Students' Educational Rights v. State of New York ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the CFE case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a "sound basic education" as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the CFE case that absent "gross education inadequacies", claims regarding state funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Hochul announced that New York State reached an agreement to settle and discontinue the NYSER case, following through on the State's commitment to fully fund the current Foundation Aid formula to New York's school districts over three years and ending the State's prior opposition to providing such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the CFE cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 and FY 2025 budget and enacted this commitment into law.

A breakdown of currently anticipated Foundation Aid funding is available below:

- FY 2022: \$19.8 billion, covering 30% of the existing shortfall.
- FY 2023: Approximately \$21.3 billion, covering 50% of the anticipated shortfall.
- FY 2024: Approximately \$23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts.
- FY 2025: Funding the full amount of Foundation Aid for all school districts.
- FY 2026: \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and a 2% minimum increase in Foundation Aid to all school districts.
- FY 2027 Executive Budget: \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

The State’s 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

State Aid Revenues

The following table sets forth total fund revenues and state aid revenues received for each of the below fiscal years of the City.

Fiscal Year Ended June 30:	Total Revenues ⁽¹⁾⁽²⁾	State Aid Revenues	% of Total Revenues Consisting of State Aid Revenues
2021	\$ 258,078,543	\$ 92,586,236	35.88%
2022	285,464,729	79,566,413	27.87
2023	286,280,875	74,919,786	26.17
2024	293,342,664	79,839,853	27.22
2025	326,340,847	79,542,537	24.37
2026 (Budgeted)	315,302,014	79,429,584	25.19
2026 (Unaudited)	322,122,776	79,580,230	24.70
2027 (Budgeted)	354,521,743	89,529,854	25.25

⁽¹⁾ General Fund. Total Revenues do not include other financing sources and uses. See “APPENDIX – A1-A2” herein.

⁽²⁾ Figures do not include premium, bond proceeds, interfund transfers, and appropriated fund balance.

Source: Audited Financial Statements, adopted budgets of the City and City officials. Summary itself not audited. Unaudited fiscal year end results are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

The following table sets forth total fund revenues and state aid revenues received for each of the below fiscal years of the School District.

Fiscal Year Ended June 30:	Total Revenues ⁽¹⁾	State Aid Revenues	% of Total Revenues Consisting of State Aid Revenues
2021	\$440,321,219	\$359,732,750	81.70%
2022	467,240,617	393,052,199	84.12
2023	478,117,649	407,158,178	85.16
2024	532,798,287	451,463,777	84.73
2025	540,871,488	470,031,729	86.90
2026 (Budgeted)	611,001,627	500,560,746	81.92
2026 (Unaudited)	593,655,681	514,195,877	86.61
2027 (Budgeted)	639,514,886	530,795,082	83.00

⁽¹⁾ General Fund.

Source: Audited Financial Statements, Adopted Budgets of the City and City Officials. Summary itself not audited. Unaudited fiscal year end results are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

Investment Policy

Pursuant to Section 39 of the State's General Municipal Law, the City has an investment policy applicable to the investment of all moneys and financial resources of the City. The responsibility for the investment program has been delegated by the City Charter to the Commissioner of Finance who was required to establish written operating procedures consistent with the City's investment policy guidelines. According to the investment policy of the City, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return.

Authorized Investments

The City has designated six banks or trust companies located and authorized to conduct business in the State to receive deposits of money. The City is permitted to invest in special time deposits or certificates of deposit.

In addition to bank deposits, the City is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the City include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the City (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the City, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The City may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions, among others: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the City, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not allowed under State law.

Collateral Requirements

All City deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the "eligible securities," "eligible surety bonds" or "eligible letter of credit" as described in the Law.

Eligible securities pledged to secure deposits must be held by the depository or third-party bank or trust company pursuant to written security and custodial agreements. The City's security agreements provide that the aggregate market value of pledged securities must equal 102% of the principal amounts of deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection of such deposits in the event of a default. Securities not registered or inscribed in the name of the City must be delivered, in a form suitable for transfer or with an assignment in blank, to the City or its designated custodial bank. The custodial agreements used by the City provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability. The custodial agreement must also provide that the custodian shall confirm the receipt, substitution or release of the collateral, the frequency of revaluation of eligible securities and the substitution of collateral when a change in the rating of a security may cause ineligibility.

An eligible irrevocable letter or credit may be issued, in favor of the City, by a qualified bank other than the depository bank. Such letters may have a term not to exceed 90 days and must have an aggregate value equal to 140% of the deposit obligations and the agreed upon interest. Qualified banks include those with commercial paper or other unsecured or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized statistical rating organization or a bank that is in compliance with applicable Federal minimum risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally recognized statistical rating organizations. The surety bond must be payable to the City in an amount equal to 100% of the aggregate deposits and the agreed interest thereon.

Status and Financing of Employee Pension Benefits

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

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

The TRS is non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3.5% of gross annual salary towards the cost of retirement programs.

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

For ERS, TRS, & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022 (for both Tier V and Tier VI).
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase in contribution rates of between 3% and 6% based on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- The State's 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Effective April 1, 2024 for Tier VI PFRS members, and April 20, 2024 for Tier VI ERS members, this final average salary calculation has been changed from five years to the three highest consecutive years of earnings. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The City’s contributions since the fiscal year ended June 30, 2022 have been as follows:

Fiscal Year Ended June 30 th :	ERS ⁽¹⁾	PFRS	TRS ⁽²⁾
2022	\$11,991,552	\$20,377,121	\$20,209,748
2023	9,647,246	22,153,313	21,563,876
2024	11,713,803	23,586,706	21,107,694
2025	14,735,304	27,241,645	22,827,504
2026	16,860,251	29,932,849	23,230,815
2027 (Budgeted)	17,390,067	32,586,504	19,751,185

(1) Includes contributions of both the City and School District.

(2) School District contributions for the General Fund and Special Aid Funds.

Source: City officials.

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

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees’ and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS, PFRS, and TRS rates (2022-23 to 2026-27) is shown below:

<u>State Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>	<u>TRS</u>
2022-23	11.6%	27.0%	10.29%
2023-24	13.1	27.8	9.76
2024-25	15.2	31.2	10.11
2025-26	16.5	33.7	9.59
2026-27	17.6	36.5	8.24 ⁽¹⁾

(1) Estimated. Final contribution rate expected to be adopted at the July 29, 2026 TRS Retirement Board meeting.

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

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

Stable Rate Pension Contribution Option. The 2013-14 Adopted State Budget included a provision that authorized local governments, including the City, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. For 2014 and 2015 the rate is 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The City is not amortizing or smoothing any pension payments, nor does it intend to do so in the foreseeable future.

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

Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the City provides post-retirement healthcare benefits to various categories of former employees.

The City’s defined benefit OPEB plan provides OPEB for all employees with 10 years of service for members in the ERS and 20 years of service for members in the PFRS. Retirees and spouses who are Medicare eligible are not required to contribute to retiree group health care benefits. If not Medicare-eligible, contributions vary by bargaining unit.

The School District’s defined benefit OPEB plan provides OPEB for all employees who meet the TRS/ERS eligibility requirements. Teachers and Administrators age 55 with 5 years of service who are eligible to retire and collect benefits according to the TRS are eligible for retiree health care benefits for life from the School District. Support staff hired before January 1, 2010 age 55 with 5 years of service are eligible to retire and collect benefits for life from the School District according to ERS. Members after January 1, 2010 must be 55 years old with 10 years of service to qualify for ERS health care benefits.

These costs may rise substantially in the future. Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), requires governmental entities, such as the City, to account for post-retirement healthcare benefits with respect to vested pension benefits. GASB 75 replaced GASB 45 as described below.

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

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (“GASB 75”), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The City has implemented GASB 75. The implementation of this statement requires municipalities to report Other Post-Employment Benefits (“OPEB”) liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

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Total OPEB liability for the City is as follows for the below fiscal years:

	Balance beginning at June 30:	2023	2024
<u>Changes for the year:</u>		<u>\$ 383,290,285</u>	<u>\$ 378,437,052</u>
Service cost		12,741,210	14,025,294
Interest		13,309,236	15,249,756
Differences between expected and actual experience		(19,962,690)	-
Changes in assumptions or other inputs		(13,585,665)	53,664,207
Changes of benefit terms		18,714,059	-
Benefit payments		<u>(16,069,383)</u>	<u>(16,675,053)</u>
Net Changes		<u>\$ (4,853,233)</u>	<u>\$ 66,264,204</u>
	Balance ending at June 30:	2024	2025
		<u>\$ 378,437,052</u>	<u>\$ 444,701,256</u>

Source: Audited Financial Statements of the City for the fiscal year ended June 30, 2024 and actuarial report for the fiscal year ending June 30, 2025.

Total OPEB liability for the School District is as follows for the below fiscal years:

	Balance beginning at June 30:	2023	2024
<u>Changes for the year:</u>		<u>\$ 338,425,987</u>	<u>\$ 385,607,918</u>
Service cost		14,044,746	16,103,170
Interest		12,989,287	15,688,902
Differences between expected and actual experience		(9,749,873)	-
Changes in assumptions or other inputs		11,511,722	84,859,991
Changes of benefit terms		30,807,717	(261,833)
Benefit payments		<u>(12,421,668)</u>	<u>(13,049,295)</u>
Net Changes		<u>\$ 47,181,931</u>	<u>\$ 103,340,935</u>
	Balance ending at June 30:	2024	2025
		<u>\$ 385,607,918</u>	<u>\$ 488,948,853</u>

Source: Audited Financial Statements of the School District for the fiscal year ended June 30, 2024 and actuarial report for the fiscal year ending June 30, 2025.

Note: The above tables are not audited.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

The City's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the City's finances and could force the City to reduce services, raise taxes or both.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The City has reserved \$0 towards its OPEB liability. The City funds this liability on a pay-as-you-go basis.

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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 City Law, City Charter and the Local Finance Law.

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

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

The fiscal year of the City is July 1 through June 30.

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 City.

Financial Statements

The City retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the City. The last audited financial report completed is for the period ended June 30, 2025 and is attached hereto as "APPENDIX – F". Certain financial information of the City may be found in the appendices to this Official Statement.

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

Beginning with the fiscal year ending 2003, the City was required to issue its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as a Management's Discussion and Analysis. The City is in compliance with Statement No. 34.

Bonadio & Co., LLP, the independent auditor for the City and School District, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Bonadio & Co., LLP also has not performed any procedures relating to this Official Statement.

Anticipated Unaudited Results of Operations of the City for the Fiscal Year Ending June 30, 2026.

The City expects to end the fiscal year ending June 30, 2026 with a loss in unappropriated, unreserved fund balance of \$10,214,441.

Summary unaudited information for the General Fund for the period ending June 30, 2026 is as follows:

Revenues:	\$322,122,776
Expenditures:	<u>332,337,217</u>
Excess (Deficit) Revenues Over Expenditures:	\$(10,214,441)
Beginning Fund Balance June 30, 2025:	<u>\$137,146,330</u>
Total Fund Balance (including reserves) June 30, 2026:	<u>\$126,931,889</u>

Note: These projections are as of the date of this Official Statement, and are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

Budget Discussion of the City for the Fiscal Year Ending June 30, 2027.

The City's General Fund budget for the fiscal year ending June 30, 2026 does not include any ARPA revenue. The General Fund budget for the fiscal year ending June 30, 2026 includes a fund balance draw of \$10.2 million.

The City's 2025-2026 budget includes several new revenue sources. The City has engaged with a third-party to roll out automated enforcement ticketing for school zone traffic enforcement in the 2025-2026 fiscal year with total budgeted revenue of \$6,000,000. Additionally, the City has \$800,000 revenues budgeted for a new hotel room occupancy tax.

Additional information relating to the City's budget for the fiscal year ending June 30, 2027 can be found on the City's website: <https://www.syr.gov/Departments/Budget/City-Budget>.

Anticipated Unaudited Results of Operations of the School District for the Fiscal Year Ending June 30, 2026.

The School District expects to end the fiscal year June 30, 2026 with an unassigned fund balance of \$97,502,393.

Summary unaudited information for the General Fund for the period ending June 30, 2026 is as follows:

	Revenues:	\$593,665,681
	Expenditures:	<u>629,619,384</u>
	Excess (Deficit) Revenues Over Expenditures:	\$(35,953,703)
	Beginning Fund Balance June 30, 2025:	<u>\$209,708,705</u>
Total Fund Balance (including reserves) June 30, 2026:		<u>\$173,755,002</u>

Note: These projections are as of the date of this Official Statement, and are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

New York State Comptroller Report of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the City and District have 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.

The State Comptroller's office released its most recent audit report of the District on February 20, 2026. The purpose of the audit was to determine if the District officials adequately manage nonstudent network user accounts and develop and adopt an information technology (IT) contingency plan.

A copy of the complete report, including key findings, key recommendations, and the District's response can be found on the website of the Office of the New York State Comptroller.

Apart from as noted above, there are no other recent State Comptroller's audits of the District, nor are there any others that are currently in progress or pending release.

There have been no State Comptroller's audits of the City released within the past five years, nor are there any others that are currently in progress or pending release.

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	3.3
2024	No Designation	0.0
2023	- ⁽¹⁾	- ⁽¹⁾
2022	- ⁽¹⁾	- ⁽¹⁾
2021	No Designation	11.7

⁽¹⁾ In the fiscal years 2022 and 2023, the City did not timely file their annual financial data before the deadline to receive a fiscal stress score.

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

Note: Reference to website implies no warranty of accuracy of information therein, nor inclusion herein by reference.

TAX INFORMATION

Taxable Assessed Valuations of the City

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Assessed Valuations	\$3,981,400,604	\$4,149,178,292	\$4,344,274,178	\$4,490,461,793	\$4,595,366,584
New York State					
Equalization Rate	<u>69.00%</u>	<u>64.50%</u>	<u>62.50%</u>	<u>57.50%</u>	<u>52.00%</u>
Total Taxable Full Valuation	<u>\$ 5,770,145,803</u>	<u>\$ 6,432,834,561</u>	<u>\$ 6,950,838,685</u>	<u>\$ 7,809,498,770</u>	<u>\$ 8,837,243,431</u>

Source: City officials.

Taxable Assessed Valuations of the School District ⁽¹⁾

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Taxable Assessed Value	\$4,019,344,386	\$4,184,136,940	\$4,378,684,615	\$4,524,164,423	\$4,628,400,330
Taxable Full Valuation ⁽²⁾	5,825,136,791	6,487,034,016	7,005,895,384	7,868,112,040	8,900,769,865
Taxable Full Valuation ⁽³⁾	6,500,637,855	7,009,778,757	7,948,238,546	8,428,026,123	9,025,741,673

⁽¹⁾ See “APPENDIX – C” attached hereto for full computation of Taxable Full Valuation made with the use of regular State Equalization Rates and special State Equalization Ratios.

⁽²⁾ Full Valuation computed using regular State Equalization Rates.

⁽³⁾ Full Valuation computed using most-recently available special State Equalization Ratios.

Source: City officials.

Tax Rates Per \$1,000 Assessed of the City

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
General	\$ 10.26	\$ 11.47	\$12.63	\$13.13	\$13.47
School District	16.90	16.24	15.63	15.13	14.79
County	11.37	11.37	11.37	11.37	NA

Note: The tax rate for the County for 2027 is not available as of the date of this Official Statement.

Source: City officials.

Tax Rates Per \$1,000 Assessed of the School District

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
City of Syracuse School District	\$ 27.16	\$ 27.71	\$ 28.26	\$ 28.26	\$ 28.26

Source: City officials.

Tax Rate, Levy and Collection Record of the City

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Total Tax Levy	\$ 40,851,161	\$ 47,583,565	\$ 54,866,750	\$ 58,970,189	\$ 61,913,554
STAR Reimbursement	2,573,080	2,347,427	2,181,268	2,045,817	N/A
Amount Uncollected in 1 Year	2,794,383	2,478,510	2,807,069	5,650,160	N/A
% Uncollected in 1 Year	6.84%	5.21%	5.12%	9.58%	N/A
Prior Year Taxes Collected	3,394,904	2,066,304	2,977,717	2,069,496	N/A

Notes: Uncollected tax and prior year taxes collected information for the fiscal year ending June 30, 2026 is as of May 15, 2026. STAR reimbursement and uncollected tax information for the fiscal year ended June 30, 2027 is unavailable as of the date of this Official Statement.

Source: City officials.

Tax Rate, Levy and Collection Record of the School District

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Total Tax Levy	\$ 67,945,723	\$ 67,945,723	\$ 68,445,723	\$ 68,445,723	\$ 68,445,723
Amount Uncollected	3,880,221	4,002,003	4,202,414	4,622,793	N/A
% Uncollected	5.71%	5.89%	6.14%	6.75%	N/A

(1) Uncollected tax information for the fiscal year end June 30, 2027 is unavailable as of the date of this Official Statement.

Note: The Amount Uncollected figures are less the amount of STAR exemption, except where otherwise noted.

Source: City officials.

Tax Collection Procedures

Collection

Real property taxes levied in the City are comprised of four separate elements: (1) general City purposes, (2) City Purposes, (3) general County purposes, and (4) special County district purposes. Tax levies are established as part of the budget process to balance total appropriations and estimated revenue. Real property taxes, for City and City Purposes are billed to the respective properties as of July 1 of each year but may be paid in four installments due on July 1, October 1, January 1, and April 1. Taxes may be paid without penalty on or before the last day of the month in which the payment is due. Payments made after the due date must include interest at 1 ½% per month computed from July 1. After the tax lien date, interest accrues at a rate of 12% per annum. County taxes are billed on January 1 and may be paid in four installments due on the first days of January, April, July and October. Installment payments may be made without interest until the end of each respective month. Delinquent payments are assessed interest of 1½% per month from January 1.

The City is responsible for collecting County taxes levied on properties located in the City. Pursuant to Chapter 690 of the Laws of 1937, as amended, the City remits County taxes only to the extent these taxes are actually collected. The City receives a fee equal to 1% of the County tax for providing this service.

Enforcement

Unpaid real property taxes are enforced in accordance with the provisions of the City Charter and the City of Syracuse Tax and Assessment Act. The City conducts tax lien sales for delinquent City taxes in October and a sale is conducted each April for delinquent County taxes levied on properties within the City. A lien is recorded for the amount of unpaid tax plus penalties and interest. It is the City's practice to acquire 100% of the tax liens offered at the sale. The City may institute tax foreclosure procedures one year after a tax lien certificate has been filed (see "Litigation, Contingencies and Regulatory Matters" herein). The City has held a number of tax auctions since 1996 to dispose of properties acquired by foreclosure.

Land Bank

Greater Syracuse Property Development Corporation - The City of Syracuse and County of Onondaga entered into an intermunicipal agreement on March 27, 2012 to create the Greater Syracuse Property Development Corporation, a not-for-profit corporation, operating as the Greater Syracuse Land Bank (Land Bank) under the New York Land Bank Act of 2011. The purpose of the Land Bank is to address problems regarding vacant and abandoned property in a coordinated manner and to further foster the development of such property and promote economic growth through the return of vacant, abandoned, and tax-delinquent properties to productive use. The City and County, while under no obligation, may contribute to the annual Land Bank budget in such manner agreed upon. For fiscal years ended June 30, 2013 through June 30, 2017, the Common Council approved funding agreements with the Land Bank for up to \$1,500,000. The Land Bank is a discretely presented component unit of the City as it is fiscally dependent upon it and there is a financial benefit/burden relationship. The Land Bank has a fiscal year which ends December 31.

There was no funding agreement for the year ended June 30, 2018. The Common Council approved an agreement with the Land Bank for \$750,000 for the year ending June 30, 2019. The budget allocated \$500,000, \$750,000, \$750,000, \$750,000, and \$1,250,000 to the Land Bank for the years ended June 30, 2022, 2023, 2024, 2025, and 2026 respectively.

The 2027 budget allocates \$750,000 to the Land Bank.

Ten of the Largest Taxpayers for the 2025-2026 Fiscal Year

<u>Name</u>	<u>Nature of Business</u>	<u>Taxable Assessed Valuation ⁽¹⁾</u>
National Grid	Utility	\$258,397,953
Syracuse University	Hotel/Retail/Comm.	57,634,670
Destiny/Dembo/Emerald/Lansing/800 N. Clinton ⁽²⁾	Retail/Residential	29,733,000
Nob Hill	Residential	26,402,960
Champion Syracuse LLC	Apartment	20,470,000
Syracuse MOB LLC	Medical Office	17,311,412
Baruch Linc 2 LLC	Commercial	17,100,000
Genesee Armory LLC	Office	13,624,480
Verizon New York Inc.	Utility	13,559,183
Cim Physicians Bldg. LLC	Medical Office	12,000,000

⁽¹⁾ Assessed value reflects parcels with a taxable amount.

⁽²⁾ Collectively owned/operated by Pyramid Management Group.

The ten larger taxpayers listed have a total estimated taxable assessed valuation of \$466,233,658, which represents 10.2% of the tax base of the City for the 2025-2026 fiscal year.

Note: Larger taxpayer information for the 2026-2027 fiscal year is unavailable as of the date of this Official Statement.

Payments In-Lieu of Taxes ("PILOTs")

The City recorded revenue of \$1,708,990 from PILOTs during the fiscal year ended June 30, 2024. PILOTs are received from various economic development project agreements negotiated by the City. Although these properties are not included as taxable property on the City's tax roll, each project is assigned an assessed valuation. Assessments for PILOTs are generally determined in the same manner as assessments for real property taxes. The City recorded revenue of \$2,032,201 from PILOTs during the fiscal year ended June 30, 2025. PILOT revenue for the 2025-26 fiscal year was budgeted at \$1,750,000. PILOT revenue for the 2026-27 fiscal year is budgeted at \$2,000,000.

The Common Council authorized the Mayor to execute and deliver the PILOT agreement in connection with the expansion of the Carousel Center Mall (now Destiny USA) effective January 1, 2006. Under the agreement, the payments are used to pay debt service on SIDA bonds issued in February 2007 in connection with the expansion of the existing Carousel Center. The PILOT payments fund debt service on the 2007 SIDA Bonds and do not constitute revenue of the City. PILOT payments are expected to escalate by 4% each year until the 2007 SIDA Bonds mature or are redeemed.

In connection with the expansion of the Carousel Center (“Destiny USA Project”), SIDA issued \$228,085,000 PILOT Revenue Bonds, Series 2007A in February 2007. Simultaneously with the issuance of the Series 2007A Bonds, SIDA privately placed \$97,648,352 PILOT Revenue Bonds, Taxable Series 2007B. The Series 2007A and Series 2007B Bonds are collectively referred to as the “Series 2007 Bonds,” the proceeds of which were used to pay for Destiny USA Project, including public infrastructure, parking and public use improvement (see “Economic and Demographic Information,” herein). PILOT payments from the existing Carousel Center provide the source of payment and security for the Series 2007 Bonds issued by SIDA. The City is not obligated to pay the principal of the Series 2007 Bonds or the premium, if any, or interest thereon. Moreover, the City has not pledged its faith and credit or taxing power for the purpose of making such payments.

City Real Property Tax Revenues

The following table sets forth total fund revenues and real property taxes received for each of the below fiscal years of the City.

Fiscal Year Ended June 30:	Total Revenues ⁽¹⁾⁽²⁾	Real Property Tax and Tax Items Revenues	% of Total Revenues Consisting of Real Property Tax Revenues
2021	\$258,078,543	\$41,509,108	16.08%
2022	285,464,729	42,651,369	14.94
2023	286,280,875	46,297,205	16.17
2024	293,342,664	52,683,319	17.96
2025	326,340,847	59,127,027	18.12
2026 (Budgeted)	315,302,014	66,955,889	21.24
2026 (Unaudited)	322,122,776	67,112,992	20.83
2027 (Proposed)	354,521,743	68,940,361	19.45

⁽¹⁾ General Fund. Total Revenues do not include other financing sources and uses. See “APPENDIX – A1-A2” herein.

⁽²⁾ Figures do not include premium, bond proceeds, interfund transfers, and appropriated fund balance.

Source: Audited Financial Statements, Adopted Budgets of the City, and City officials. Summary itself not audited.

Sales Tax Revenues

The City and County entered into a 10-year sales tax agreement which became effective on January 1, 2011. Under the agreement, the City received 22.25% of the revenue generated by the County’s base tax rate of 3% and 11.35% of the additional 1% tax rate in calendar year 2011. The allocation formula reduced sales tax revenue during the 2011 fiscal year.

Effective January 1, 2012, the City received its allocation entirely from the additional 1% sales tax levied by the County. The City’s share of the additional 1% tax was 92.80% in 2012, after which there are annual increases in the percentage to 97.79% for the final six years of the agreement ending on December 31, 2020. In December 2018, the City and County agreed to extend the terms of the agreement through 2030.

The agreement eliminates the minimum annual sales tax guaranteed in the prior agreement. City officials recognize the risks associated with removing the guarantees found in the prior agreement but believe the ability of the City to share in the potential future growth of sales tax revenue outweighs the risk of the decline in such revenue.

The following table sets forth total fund revenues and sales tax revenues received for each of the below fiscal years.

Fiscal Year Ended June 30:	Total Revenues ⁽¹⁾⁽²⁾	Sales Tax Revenues	% of Total Revenues Consisting of Sales Tax Revenues
2021	\$258,078,543	\$100,134,331	38.80%
2022	285,464,729	108,084,537	32.34
2023	286,280,875	115,788,545	40.45
2024	293,342,664	119,484,223	40.73
2025	326,340,847	121,145,765	37.12
2026 (Budgeted)	315,302,014	122,975,761	39.00
2026 (Unaudited)	322,122,776	124,124,474	38.53
2027 (Proposed)	354,521,743	125,986,341	35.50

As of May 1, 2026, the City has received \$23,191,911 in sales tax revenue on an accrual basis and has received \$89,659,667 sales tax revenue on a cash basis for the 2025-2026 fiscal year.

⁽¹⁾ General Fund. Total Revenues do not include other financing sources and uses. See “APPENDIX – A1-A2” herein.

⁽²⁾ Figures do not include premium, bond proceeds, interfund transfers, and appropriated fund balance.

Source: Audited Financial Statements, Adopted Budgets of the City, and City officials. Summary itself not audited.

The School District also receives a portion of the County sales tax. Subject to the terms and conditions discussed above, the County will distribute a minimum of \$12,500,000 each year to the school districts in the County. Sales tax monies will be allocated to the school districts according to total average daily attendance. Annual payments may be increased by up to 2% based on growth in the County’s sales tax revenue. For the year ended June 30, 2024, the School District reported \$992,167 for sales tax. For the year ended June 30, 2025, the School District reported \$1,007,025 for sales tax. For the year ended June 30, 2026, the School District reported \$754,694 for sales tax as of March 31, 2026. The School District’s 2027 adopted budget estimates \$950,000 for sales tax revenue.

Constitutional Tax Margin

The City derives its power to levy an ad valorem real property tax from the Constitution of the State, subject to applicable statutory limitations. The City’s property tax levying powers, other than for debt service and certain other purposes, are limited by the State Constitution to two percent of the five-year average full valuation of taxable real property of the City, subject to certain exclusions. (See also “TAX LEVY LIMITATION LAW” herein.)

The computation of Constitutional Tax Margin for the fiscal years ending June 30, 2025 through 2027 is as follows:

<u>Fiscal Year Ending June 30:</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Five Year Average Full Valuation	\$ 6,319,827,300	\$ 6,926,928,687	\$ 7,782,484,591
Tax Limit - (2%).....	126,396,546	138,538,574	155,649,692
Add: Exclusions from Tax Limit.....	<u>52,464,004</u>	<u>42,907,738</u>	<u>37,529,949</u>
Total Taxing Power.....	\$ 178,860,550	\$ 181,446,312	\$ 193,179,641
Less: Total Levy.....	130,898,958 ⁽¹⁾	<u>136,270,267</u>	<u>140,125,926</u>
Constitutional Tax Margin.....	<u>\$ 47,961,592</u>	<u>\$ 45,176,045</u>	<u>\$ 53,053,715</u>

⁽¹⁾ The tax levies for the 2025 fiscal year was previously reported as \$124,621,283 prior to a State review. The figures above represent the figures after State review, and reflects special assessment levies that were not previously included in the calculation. It is anticipated that said special assessment levies will be included in the calculation in the future.

Source: City officials.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of \$107,300 or less in the 2025-2026 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$86,100 of the full value of a home for the 2025-2026 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

The below table lists the most current basic and enhanced exemption amounts for the municipalities applicable to the School District:

<u>City</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Syracuse	\$ 34,090	\$ 11,560	11/20/2025

\$3,356,721 of the School District’s \$68,445,723 school tax levy for the 2025-26 fiscal year was exempt by the STAR Program. The School District received full reimbursement of such exempt taxes from the State in January 2026.

\$3,356,721 of the School District’s \$68,445,723 school tax levy for the 2026-27 fiscal year is expected to be exempt by the STAR Program. The School District anticipates receiving full reimbursement of such exempt taxes from the State by January 2027.

TAX LEVY LIMITATION LAW

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

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was set to expire on June 15, 2020, however, legislation has since made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

Purpose and Pledge. Subject to certain enumerated exceptions, the City 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 City may contract indebtedness only for a City purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within 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 possible 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 City Council authorizes and utilizes the issuance of bonds with substantially level or declining annual debt service. The City is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

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

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

Statutory Procedure

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

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

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

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

Except on rare occasions the City 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.

The City Council, as the finance board of the City, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may, and generally does, delegate the power to sell the obligations to the City Administrator, the chief fiscal officer of the City, pursuant to the Local Finance Law.

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

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

Debt Outstanding End of Fiscal Year

<u>Fiscal Year Ended June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds (City)	\$220,403,988	\$189,203,540	\$203,676,572	\$193,706,017	\$188,089,126
Bonds (District)	315,142,000	290,945,000	267,220,000	245,290,000	223,180,000
Bond Anticipation Notes (City)	0	0	16,994,585	0	7,600,000
Bond Anticipation Notes (District)	0	0	0	0	0
Revenue Anticipation Notes (City)	46,000,000	0	0	0	0
Revenue Anticipation Notes (District)	85,967,000	0	0	0	0
Total Debt Outstanding	\$667,512,988	\$480,148,540	\$487,891,157	\$438,996,017	\$418,869,126

Note: City indebtedness includes governmental-type and business-type indebtedness.

Source: Audited Financial Statements for the June 30, 2021-2024 fiscal years and City officials for the 2025 fiscal year. The principal amount outstanding in "APPENDIX – B" for the Fiscal Year Ended June 30, 2025 differs from this section due to the calculation of savings from refunded debt service for the City’s Environmental Facilities Corporation bonds.

Contract Liability

The City had contracted with the County in connection with the construction of a new courthouse and for certain parking garage projects. Serial Bonds were issued in order to fund certain projects. As of May 1, 2023, there is no remaining outstanding liability of the City.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City as of June 3, 2026:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2042	\$ 161,168,465
<u>Bond Anticipation Notes</u>		
Lead Service Replacement Program	June 26, 2026	5,600,000 ⁽¹⁾
Phase III of JSCB Capital Project	January 22, 2027	<u>4,000,000</u>
Total Indebtedness		<u>\$ 170,768,465</u>

⁽¹⁾ To be renewed, in full, with a portion of the proceeds of the Notes.

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 3, 2026:

Five-Year Average Full Valuation of Taxable Real Property using Special Equalization Ratios	\$ 7,782,484,590
Debt Limit – 9% thereof	700,423,613

Inclusions:

Bonds.....	\$161,168,465	
Bond Anticipation Notes	<u>9,600,000</u>	
Total Inclusions.....		<u>\$ 170,768,465</u>

Exclusions:

Appropriations ⁽¹⁾	\$ 0	
Sewer Debt ⁽²⁾	0	
Water Debt ⁽³⁾	<u>35,605,691</u>	
Total Exclusions.....		<u>\$ 35,605,691</u>

Total Net Indebtedness Subject to Debt Limit.....	<u>\$ 135,162,774</u>
Net Debt-Contracting Margin.....	<u>\$ 565,260,839</u>
Percent of Debt Contracting Power Exhausted.....	19.30%

- (1) Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
(2) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law.
(3) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Note: The Five-Year Average Full Valuation used above consists of the five-year average full valuation of the School District using Special Equalization Ratios, and does not consist of the City’s five-year average full valuation.

Bonded Debt Service

A schedule of bonded debt service may be found in “APPENDIX – B” to this Official Statement.

Capital Project Plans and Authorized and Unissued Indebtedness

The City has authorized but unissued debt of approximately \$512 million. Such authorizations include approximately \$136 million for the Engineering projects, \$155million for DPW project purposes, \$75 million for Water projects, \$19 million for Fire purposes, and \$11million for Parks projects.

The issuance of \$2,000,000 bond anticipation notes on January 23, 2025 financed the initial capital costs and expenses associated with the JSCB Phase III \$400 million JSCB project. The City anticipates issuing several additional series of bond anticipation notes for the Phase III project over the next five years; however, the timeline has not been finalized. The City will be utilizing its issuance of bond anticipation notes to advance-fund the construction for the project. Bond anticipation notes issued by the City for the Phase III project costs are expected to be retired with the proceeds of one or more series of bonds to be issued by the Syracuse Industrial Development Agency on behalf of the JSCB. The total amount of short-term indebtedness to be issued by the City in connection with this project has not been determined. Bond anticipation notes would be issued in phases to coincide with State Education Department approval and construction cash flow needs for the project. The City currently has \$4,000,000 bond anticipation notes outstanding and maturing on January 22, 2027 for this purpose, which redeemed and renewed the initial \$2,000,000 initial borrowing and provided an additional \$2,000,000 in new money for the project. The City anticipates issuing bond anticipation notes in July 2026 for additional cashflow needs for the Phase III project costs. The amount of the borrowing has not yet been determined.

The issuance of \$5,600,000 bond anticipation notes on June 26, 2025 financed the initial cost of improvements for the lead service replacement program, and are outstanding and mature on June 25, 2026. The proceeds of the Notes will fully redeem and renew the \$5,600,000 outstanding bond anticipation notes and provide \$29,400,000 in new money to fully exhaust both authorizations.

See “Capital Improvement Plan & Anticipated Method of Financing Fiscal Years 2027-2032” herein for additional detail.

Capital Budget

The below table summarizes the City’s Capital Improvement Plans for the fiscal years ending June 30, 2027 through 2032 by the method of finance.

**Capital Improvement Plan & Anticipated Method of Financing
Fiscal Years 2027–2032
Method of Financing**

Fiscal Year Ending	City	School District	Method of Financing			
			Total	Cash	Debt	Other
2027	\$215,837,527	\$6,100,000	\$221,937,527	\$6,553,000	\$141,514,200	\$73,870,327
2028	181,323,811	0	181,323,811	9,465,590	122,060,520	49,797,701
2029	118,172,259	0	118,172,259	10,069,228	81,738,730	26,364,301
2030	138,416,675	0	138,416,675	7,204,915	88,730,881	42,480,879
2031	133,998,389	0	133,998,389	7,367,652	87,779,913	38,850,824
2032	125,942,481	0	125,942,481	7,527,442	86,467,502	31,947,537
Totals	\$913,691,142	\$6,100,000	\$919,791,142	\$48,187,827	\$608,291,746	\$263,311,569

The below table summarizes the City’s Capital Improvement Plans for the fiscal years ending June 30, 2027 through 2032 by department.

**Capital Improvement Plan by Purpose
Fiscal Years 2027–2032**

<u>General Fund Department</u>	
Fire	\$68,500,100
Parks	102,321,841
Police	28,270,000
Public Works	215,281,995
Engineering	132,842,000
Information Technology	12,365,000
Neighborhood & Business Dev.	43,793,000
Assessment	8,550,000
Water Fund	255,700,000
Sewer Fund	18,805,000
Municipal Sidewalk	27,262,206
School District	6,100,000
Total	\$919,791,142

Source: The 2026-27 Capital Improvement Program of the City of Syracuse for the fiscal years 2026-27 through 2031-32.

Note: The above Capital Improvement Plan charts do not include the capital costs associated with the JSCB’s Phase III \$400 million project, nor does it include anticipated short-term financings of the City to advance-fund the construction of the project. See “Capital Project Plans and Authorized and Unissued Indebtedness” herein.

Joint Schools Construction Board Indebtedness

The Syracuse Joint Schools Construction Board (“JSCB”) is undertaking to improve ten school buildings. The JSCB previously issued \$156,820,000 principal amount of project bonds to finance or refinance the costs of the Phase I Project, and has previously issued \$278,170,000 principal amount of Project Bonds to finance a portion of the Phase II Project. (See “Joint Schools Construction Board” and “Capital Project Plans and Authorized and Unissued Indebtedness” herein.)

Cash Flow Borrowings

The City has not issued any tax anticipation notes, nor budget deficiency notes during the past five fiscal years, and does not reasonably expect to in the foreseeable future.

The City has issued revenue anticipation notes during the below fiscal years as follows:

Fiscal Year Ended June 30:	Revenue Anticipation Notes Issued
2021	\$ 137,967,000
2022	10,770,000
2023	0
2024	0
2025	0
2026	0

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Bonded indebtedness, including bond anticipation notes, is estimated of the respective municipalities and is not adjusted to include subsequent bond or note issues, if any.

<u>Municipality</u>	Status of <u>Debt as of</u>	Gross <u>Indebtedness</u> ⁽¹⁾	City <u>Share</u>	Applicable Gross <u>Indebtedness</u>
County of:				
Onondaga	12/31/2024	\$ 746,268,360	16.33%	\$ 121,865,623
School District:				
Syracuse City SD	6/30/2025	225,180,000	100.00%	225,180,000
			Total:	<u>\$ 347,045,623</u>

⁽¹⁾ 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 applicable exclusions, such as water debt, sewer debt, and budgeted appropriations for the municipalities and state building aid for the school districts is not available from source.

Debt Ratios

The following table sets forth certain ratios relating to the City's net indebtedness as of June 3, 2026.

	<u>Amount</u>	Per <u>Capita</u> ^(a)	Percentage of <u>Full Value</u> ^(b)
Net Indebtedness ^(c)	\$135,162,774	\$ 932.83	1.53%
Net Indebtedness Plus Gross Overlapping Indebtedness ^(d)	482,208,397	3,327.96	5.46

^(a) The 2025 estimated population of the City was 144,896. (See "THE CITY – Population Trends" herein.)

^(b) The City's full valuation of taxable real estate for 2026-2027 is \$8,837,243,431. (See "TAX INFORMATION – Valuations" herein.)

^(c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.

^(d) Estimated gross overlapping indebtedness is \$347,045,623. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the City may not be enforced by levy and execution against property owned by the City.

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

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

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

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

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

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

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

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

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Default Litigation. In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “NATURE OF OBLIGATION” and “State Debt Moratorium Law” herein.

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

MARKET AND RISK FACTORS

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

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

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

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

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

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

Cybersecurity

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

Federal Policy Risk

Federal policies on trade, immigration, and other topics can shift dramatically from one administration to another. From time to time, such shifts can result in reductions to the State's level of federal funding for a variety of social services, health care, public safety, transportation, public health, and other federally funded programs. There can be no prediction of future changes in federal policy or the potential impact on any related federal funding that the State may or may not receive in the future.

President Trump signed an executive order that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The executive order aims to minimize the federal role in education but stops short of completely closing the Department as this would require 60 votes in the U.S. Senate. President Trump also indicated his preference that critical functions, like distributing Individuals with Disabilities Education Act funding, would be the responsibility of other federal agencies. The impact that the executive order will have on the State and school districts in the State is unknown at this time."

TAX MATTERS – BONDS

In the opinion of Trespasz Law Offices, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – G".

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

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

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The City has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants will result in interest on the Bonds being included in gross income for federal income tax purposes as well as adjusted gross income for purposes of personal income taxes imposed by the State or the City of New York, from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds.

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

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

Legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been made in recent years that would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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

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

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

TAX MATTERS – NOTES

In the opinion of Trespasz Law Offices, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes (the "Taxable Notes") is included as gross income for federal income tax purposes. In addition, the Code imposes a federal corporate alternative minimum tax equal to 15 percent of the "adjusted financial statement income" of corporations (other than S corporations, regulated investment companies and real estate investment trusts) having an average annual "adjusted financial statement income" for the 3-taxable-year period ending with the tax year that exceeds \$1,000,000. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Taxable Notes. The proposed form of opinion of Bond Counsel is contained in "APPENDIX – H" attached hereto.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the Taxable Notes that acquire their Taxable Notes in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Taxable Notes as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Taxable Notes under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Taxable Notes pursuant to this offering for the issue price that is applicable to such Taxable Notes (i.e., the price at which a substantial amount of the Taxable Notes are sold to the public) and who will hold their Taxable Notes as "capital assets" within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the Taxable Notes other than investors that are U.S. Holders.

As used herein, "U.S. Holder" means a beneficial owner of a Taxable Note that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds Taxable Notes, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Taxable Notes, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Taxable Notes (including their status as U.S. Holders).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Taxable Notes in light of their particular circumstances.

U.S. Holders

Interest. Interest on the Taxable Notes generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes. To the extent that the issue price of any maturity of the Taxable Notes is less than the amount to be paid at maturity of such Taxable Notes (excluding amounts stated to be interest and payable at least annually over the term of such Taxable Notes), the difference may constitute original issue discount ("OID"). U.S. Holders of Taxable Notes will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

Taxable Notes purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Taxable Note issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Taxable Note.

Sale or Other Taxable Disposition of the Taxable Notes. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the City) or other disposition of a Taxable Note will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Taxable Note will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Taxable Note, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Taxable Note (generally, the purchase price paid by the U.S. Holder for the Taxable Note, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Taxable Note). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Taxable Notes, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Taxable Notes exceeds one year. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding. Payments on the Taxable Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Taxable Notes may be subject to backup withholding at the current rate of 28% with respect to "reportable payments," which include interest paid on the Taxable Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Taxable Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Foreign Account Tax Compliance Act ("FATCA")

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on and principal of the Taxable Notes and sales proceeds of Taxable Notes held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and will apply to (i) gross proceeds from the sale, exchange or retirement of debt obligations paid after December 31, 2016 and (iii) certain "pass-thru" payments no earlier than January 1, 2017. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Taxable Notes in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Taxable Notes, including the application and effect of state, local, non-U.S., and other tax laws.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds and Notes is covered by the approving legal opinions of Bond Counsel. The proposed forms of Bond Counsel's opinion are attached hereto at "APPENDIX – G" and "APPENDIX – H".

LITIGATION

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

Various actions are pending against the City. Most often, the allegations asserted relate to circumstances involving false arrest, malicious prosecution, negligence and the violation of civil rights. Most suits seek money damages, but others demand the performance of, or the forbearance from, certain acts. In the opinion of the City's Corporation Counsel, the resolution of various matters of litigation threatened or currently pending will not have an adverse material effect on the City's financial position. However, the following matters each present some possibility of a financial award of \$400,000 or greater.

Lawsuits:

Carlton Lewis v. the City of Syracuse

Carlton Lewis filed his initial lawsuit against the City of Syracuse in the U.S. District Court for the Northern District of New York on November 6, 2024. Mr. Lewis was convicted for the murder of a woman in Syracuse, New York in 1990. Mr. Lewis was sentenced to 20 years to life in prison in 1992, but after serving his sentence, in August of 2023 his conviction was vacated on account of newly tested forensic evidence. Currently, discovery continues with depositions underway. If any causes of action survive past discovery, and the matter goes to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Jansay Sparks, as Administrator of the Estate of Qian Adams, deceased

According to the plaintiff, the administrator of the estate, Mr. Qian Adams is alleged to have died as a result of a motor vehicle accident on December 11, 2023. Plaintiff alleges that Mr. Adams was operating a VEO electric bicycle and/or Scooter ("VEO") at approximately 1:00 a.m. in a roadway when, near an intersection, his VEO collided with a Syracuse Police Department vehicle. Discovery and depositions are ongoing. If any causes of action survive past discovery, and the matter goes to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Marques T. King v. City of Syracuse, et al.

Two Syracuse Police Officers are alleged to have maliciously prosecuted Marques King after his indictment and conviction for possessing a controlled substance in 2017 was dismissed by the Appellate Division, Fourth Department, on purely evidentiary grounds. Marques King served time in prison until the 2022 dismissal. Plaintiff spent that time in prison until the dismissal. The parties are in the early stages of discovery period at the time of this report. If any causes of action survive past discovery, and the matter goes to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Keith King v. City of Syracuse, et al.

Four Syracuse Police Officers are alleged to have maliciously prosecuted Keith King after his indictment and conviction for possessing a controlled substance in 2017 was dismissed by the Appellate Division, Fourth Department, on purely evidentiary grounds. Keith King served time in prison until the 2021 dismissal. Plaintiff spent that time in prison until the dismissal. The parties are in the early stages of discovery period at the time of this report. If any causes of action survive past discovery, and the matter goes to trial, it is possible the City could be subject to a judgment greater than \$400,000.

KM Doe 1, et al. v. City of Syracuse, et al.

A former police officer, Chester Thompson, is alleged to have sexually assaulted four women while on duty as a police officer from approximately 2000 through 2014. The statute of limitations to bring such lawsuits was eliminated for a one-year window pursuant to New York's Adult Survivors Act. Plaintiffs, who are proceeding anonymously, allege that the City of Syracuse, and certain police supervisors, knew and/or should have known of Mr. Thompson's crimes and propensities, and as a result his lack of termination resulted in the sexual assaults perpetrated against the Plaintiffs. The parties are in the middle stages of discovery period at the time of this report. If any causes of action survive past discovery, and the matter goes to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Peter O'Brien as administrator of the estate of Allison Lakie v. the City of Syracuse, et al.

Police were called to the house of an approximately 30-year-old female, Allison Lakie, who was threatening to commit suicide with a large kitchen knife. After almost two hours of negotiation, Lakie who had already cut herself severely, started a large house fire in the kitchen. Officers attempted to get Ms. Lakie to drop the knife, to which she later responded by charging out of the kitchen with the knife toward officers. Ms. Lakie was shot by the officers. Ms. Lakie's estate has filed a lawsuit in federal court. Recently, Plaintiff's complaint was amended to add the County of Onondaga. The City has again made a motion to dismiss the lawsuit. If the action not dismissed and goes to trial, then it is possible the City could be subject to a judgment greater than \$400,000.

Anthony Broadwater v. The County of Onondaga et al.

Anthony Broadwater was convicted for the sexual assault of Alice Sebold in the early 1980s and served a 16 year sentence in state prison. In 2021, as a result of evidentiary issues and an improperly suggestive line-up identification, the court dismissed Mr. Broadwater's indictment. Mr. Broadwater filed and served his civil complaint in November of 2021. Discovery is ongoing in this case. If the case is not dismissed at the summation of discovery and goes to trial then it is possible the City could be subject to a judgment greater than \$400,000.

Adrian Jones v. City of Syracuse, et al.

Officers were responding at night to a shots fired call, and when arriving on the scene identified Plaintiff Adrian Jones who fled on foot. After giving chase, Plaintiff surrendered himself to SPD officers. While fleeing officers, Plaintiff discarded a firearm in a trash bin, which was later recovered by SPD officers. Although the gun was not used in the shots fired, Plaintiff pleaded guilty of illegally possessing the weapon and served three years in prison. On appeal, Plaintiff's conviction was overturned solely on the ground that the handgun salvaged from the trash bin was considered inadmissible evidence. Plaintiff now sues the City for a deprivation of his right to a fair trial. The case is currently at the tail end of discovery. If the matter proceeds to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Peter Dixon v. City of Syracuse, et al.

Peter Dixon was questioned by police as he sat in his parked vehicle within the City of Syracuse. Mr. Dixon refused to open the vehicle for officers and, instead of complying with lawful orders, attempted to flee the scene in his vehicle. In doing so, he endangered the lives of multiple officers, prompting former SPD officer Ahmad Mims to fire his weapon at the vehicle. Plaintiff engaged in a high-speed pursuit with SPD and was arrested 7 miles away after a chase on the Onondaga Nation. Plaintiff is suing the named SPD officers for excessive use of force and is also bringing a *Monell* claim against the City of Syracuse. The City made a motion for summary judgment in this matter, but three defendants were not granted qualified immunity. The matter is being appealed to the Second Circuit Court of Appeals and the matter is stayed for trial pending the result of that appeal. If the matter proceeds to trial, it is possible the City could be subject to a judgment greater than \$400,000.

Belinda Davis v. City of Syracuse, et al.

Plaintiff was a passenger in a vehicle that turned from a stop sign onto a road not controlled by a traffic control, and was then struck by a Syracuse Police Department vehicle. Plaintiff alleges to have suffered serious or permanent injuries from the accident, but the City may benefit from certain immunities under the emergency vehicle doctrine. Early stages of discovery and plaintiff has retained new counsel. If the City is liable then damages could exceed \$400,000.

Other Claims

In addition to the matters discussed above, the City reports that numerous claims are filed against it each year. Many claims are not actively pursued or are disposed of at little or no cost to the City. In the Corporation Counsel's opinion, it would be premature to express an opinion on any of these additional pending matters. However, a preliminary assessment of these claims indicates that the City's maximum liability for each individual claim is unlikely to exceed \$400,000.

Insurance

The City funds a self-insurance program from operating funds to protect itself against various forms of risks. Under the program, the City is self-insured for employee medical and dental benefits, unemployment benefits, workers' compensation and general liability claims. For the year ended June 30, 2025, the City paid \$1,000,275 from operating funds to settle various judgments and claims and anticipates having paid \$500,000 from operating funds to settle various judgements and claims at the June 30, 2026 fiscal year end.

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The City is primarily self-insured for medical, dental, workers' compensation and general liability claims. Property coverage exists for certain buildings including City Hall, airport terminal, City Hall Commons, Department of Public Works and all city schools for losses in excess of \$250,000 per occurrence.

Tax Litigation and Certiorari Claims

The City is a party to various tax certiorari proceedings instituted under Article 7 of the Real Property Tax Law. In these actions, taxpayers claim that their current real property assessments are excessive and ask that such assessments be reduced. Generally, tax claims request a refund of taxes in excess of the alleged assessment. Claims of this nature are filed continuously, and some cases may not be settled for several years or more. It is not unusual for certain taxpayers to have multiple pending claims affecting a period of years. For the 2023-2024 fiscal year the City expended \$92,948 to settle tax refunds. For the 2024-2025 Fiscal year the City expended \$0 to settle tax refunds. For the current fiscal year, as of May 1, 2026 the City has expended \$0 to settle various tax refunds.

It is not possible to provide an estimate concerning the possible outcome of pending tax certiorari cases. Tax certiorari claims are frequently settled for amounts substantially less than the original claims. The 2027 budget of City general fund includes an appropriation of \$0 to pay tax refunds. Pursuant to the Local Finance Law, the City issues debt from time to time to finance tax certiorari settlements.

Contingencies

The City participates in numerous state and federal grant programs, including Community Development and Section 8 Housing. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs are an on-going process, and many have not yet been conducted or completed. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. Except as discussed in the following paragraphs, the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City believes that such amounts, if any, will be immaterial.

Regulatory Matters

As of a result of inquiry conducted by the U.S. Securities and Exchange Commission (the "Commission"), the Commission found that the City violated federal securities laws in the offer and sale of municipal securities issued in December 1995 and February 1996. All of the securities in question were paid in full in accordance with their terms. Nonetheless, the Commission found that "the City materially misrepresented its financial condition and results of operations and described certain summary financial information as audited without disclosing that some of this information was derived from financial statements upon which auditors had issued reports containing qualified opinions. These actions were taken knowingly or recklessly, within the meaning of those terms under the federal securities laws."

The City made an offer of settlement, which did not admit or deny the Commission's findings, and acquiesced to the issuance of a cease-and-desist order by the Commission. On September 30, 1997, the Commission issued an Order Instituting Cease and Desist Proceedings, Making Findings and Issuing Cease-and-Desist Orders. No fines or penalties were assessed against the City. Pursuant to the Orders, the City must cease and desist from committing or causing any violation, and any future violation, of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act of 1934 and Rules 10b-5 thereunder. Prior to the issuance of the Orders, however, the City had taken measures to enhance its ability to produce reliable financial information, including the hiring of an outside auditor to produce audits of its financial statements. The Commission stated in the Orders that "in determining to accept the offers, the Commission considered remedial acts promptly undertaken by the City and cooperation afforded to the Commission's staff."

City officials do not expect any further action by the Commission in this or any other matter concerning the City.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the City will enter into respective Continuing Disclosure Undertaking Certificates for the Bonds and Notes, descriptions of which are attached hereto as "APPENDIX – D" and "APPENDIX – E".

Historical Compliance

The City has maintained compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

BOND RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to request that a rating be assigned after the sale pending the approval of the City and applicable rating agency, and at the expense of the purchaser(s), including any rating agency and other fees to be incurred by the City, as such rating action may result in a material event notice to be posted to EMMA and/or the provision of a Supplement to the final Official Statement.

Moody's Investors Service, Inc. ("Moody's") has assigned its rating of "A1" to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from Moody's, 7 World Trade Center, 250 Greenwich St., New York, New York 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

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

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 municipal advisor to the City on matters relating to debt management. The Municipal Advisor is a municipal 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 City and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the City or the information set forth in this Official Statement or any other information available to the City with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the City 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 Bonds and Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds and Notes will be paid for by the City provided, however; the City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

MISCELLANEOUS

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 City management's beliefs as well as assumptions made by, and information currently available to, the City'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 City's files with the repositories. When used in City documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

Trespasz Law Offices, LLP, Syracuse, New York, Bond Counsel to the City, expressed no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the City for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

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

Concurrently with the delivery of the Notes, the City 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 City.

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

The City 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.

The Municipal Advisor 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. The Municipal Advisor 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 City nor the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor and the City 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. The Municipal Advisor and the City also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The City's contact information is as follows: Diane Nastri, Interim Commissioner of Finance, City of Syracuse, City Hall, 233 East Washington Street, Suite 128, Syracuse, NY 13202, Phone: (315) 448-8330, Fax: (315) 448-8424, Email: dnastri@syr.gov.

Additional copies of the Notice of Bond Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., Phone: (315) 752-0051, or at www.fiscaladvisors.com.

CITY OF SYRACUSE

Dated: June 3, 2026

DIANE NASTRI
INTERIM COMMISSIONER OF FINANCE &
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 75,657,963	\$ 72,640,038	\$ 105,747,611	\$ 58,553,137	\$ 49,589,729
Accounts Receivable	1,139,861	3,813,379	2,968,062	5,300,413	4,035,381
Due from Other Funds	5,761,563	9,283,675	9,396,599	35,450,491	52,905,620
Due From Other Governments	57,377,244	57,588,384	59,786,700	59,837,316	60,720,884
Taxes Receivable, Net	5,355,228	4,416,978	4,156,920	3,669,626	3,982,439
Lease Receivable	-	2,043,718	1,273,029	3,449,507	3,066,759
State and Federal Receivable	-	-	-	-	-
Prepaid Expenses	-	-	-	600,000	-
Restricted Cash and Cash Equivalents	<u>77,609,754</u>	<u>82,836,382</u>	<u>46,801,974</u>	<u>27,347,493</u>	<u>4,105,865</u>
TOTAL ASSETS	<u>\$ 222,901,613</u>	<u>\$ 232,622,554</u>	<u>\$ 230,130,895</u>	<u>\$ 194,207,983</u>	<u>\$ 178,406,677</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable and Accrued Expenses	\$ 12,993,683	\$ 13,734,016	\$ 8,281,795	\$ 11,267,403	\$ 14,893,715
Accrued Interest	422,123	-	-	-	-
Amounts Due to Retirement Systems	7,640,932	7,088,411	7,304,409	8,274,216	9,161,691
Due to Other Governments	-	158	135	30	584
Self-Insurance Claims	5,800,954	6,255,487	6,225,001	5,885,516	6,989,578
Bond Anticipation Notes Payable	-	-	16,994,585	-	-
Revenue Anticipation Notes	46,000,000	-	-	-	-
Unearned Revenue	61,538,465	78,297,568	44,446,580	23,756,425	134,548
Due to Other Funds	-	-	-	-	-
Other Liabilities	<u>1,777,422</u>	<u>2,784,016</u>	<u>2,797,363</u>	<u>3,107,456</u>	<u>3,897,547</u>
TOTAL LIABILITIES	<u>\$ 136,173,579</u>	<u>\$ 108,159,656</u>	<u>\$ 86,049,868</u>	<u>\$ 52,291,046</u>	<u>\$ 35,077,663</u>
DEFERRED INFLOW OF RESOURCES	<u>\$ 4,589,477</u>	<u>\$ 5,448,084</u>	<u>\$ 4,226,181</u>	<u>\$ 6,427,252</u>	<u>\$ 6,182,684</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ -	\$ -	\$ -	\$ 600,000	\$ -
Restricted	393,874	337,418	1,677,635	2,794,736	7,715,020
Assigned	121,510	15,885,692	23,597,912	19,459,068	14,513,217
Unassigned	<u>81,623,173</u>	<u>102,791,704</u>	<u>114,579,299</u>	<u>112,635,881</u>	<u>114,918,093</u>
TOTAL FUND EQUITY	<u>82,138,557</u>	<u>119,014,814</u>	<u>139,854,846</u>	<u>135,489,685</u>	<u>137,146,330</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 222,901,613</u>	<u>\$ 232,622,554</u>	<u>\$ 230,130,895</u>	<u>\$ 194,207,983</u>	<u>\$ 178,406,677</u>

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Real Property Taxes and Tax Items	\$ 39,725,982	\$ 41,509,108	\$ 42,651,369	\$ 46,297,205	\$ 52,683,319
Sales and Use Taxes	85,414,655	100,134,331	108,084,537	115,788,545	119,484,223
Other Local Taxes	2,999,440	3,376,636	3,178,295	3,532,213	4,236,548
Departmental Income	11,605,974	9,949,026	11,169,380	13,653,829	16,601,641
Intergovernmental Charges	316,918	126,823	250,411	253,721	275,711
Use of Money & Property	686,185	106,434	97,610	4,919,983	12,347,710
Licenses and Permits	2,044,389	2,049,004	3,199,795	2,891,234	3,283,111
Fines and Forfeitures	3,054,629	3,348,050	3,093,779	4,154,552	3,836,281
Sale of Property and Compensation for Loss	427,233	674,819	981,465	386,937	480,173
Miscellaneous	4,512,493	2,416,502	9,557,090	173,239	274,094
Interfund Revenues	-	-	-	-	-
Federal and State Aid and Other Grants	68,635,480	94,387,810	103,200,998	94,229,417	79,839,853
Total Revenues	<u>\$ 219,423,378</u>	<u>\$ 258,078,543</u>	<u>\$ 285,464,729</u>	<u>\$ 286,280,875</u>	<u>\$ 293,342,664</u>
EXPENDITURES					
General Government Support	\$ 25,177,943	\$ 34,001,970	\$ 35,508,933	\$ 53,672,758	\$ 40,661,918
Public Safety	143,486,099	138,500,715	153,002,864	155,423,955	172,027,052
Transportation	21,128,517	17,219,164	19,177,227	19,799,943	22,513,869
Culture and Recreation	9,906,473	7,421,774	10,075,101	12,058,675	14,511,678
Home and Community Services	12,820,309	11,859,651	12,748,079	13,591,689	16,743,812
Employee Benefits	-	-	-	-	-
Debt Service	624,367	440,945	57,044	-	634,937
Total Expenditures	<u>\$ 213,143,708</u>	<u>\$ 209,444,219</u>	<u>\$ 230,569,248</u>	<u>\$ 254,547,020</u>	<u>\$ 267,093,266</u>
Excess of Revenues Over (Under) Expenditures	<u>\$6,279,670</u>	<u>\$48,634,324</u>	<u>\$54,895,481</u>	<u>\$31,733,855</u>	<u>\$26,249,398</u>
Other Financing Sources (Uses):					
Premium on Issuance of BANs and RANs	208,120	322,920	-	-	-
Bond Proceeds	550,000	-	2,784,110	17,500,000	-
Premium on Bonds	81,739	-	126,325	235,009	-
Operating Transfers In	2,825,000	8,614,000	2,825,000	2,922,714	3,020,428
Operating Transfers Out	(19,835,481)	(17,542,436)	(23,754,659)	(31,551,546)	(33,634,987)
Total Other Financing	<u>(16,170,622)</u>	<u>(8,605,516)</u>	<u>(18,019,224)</u>	<u>(10,893,823)</u>	<u>(30,614,559)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (9,890,952)</u>	<u>\$ 40,028,808</u>	<u>\$ 36,876,257</u>	<u>\$ 20,840,032</u>	<u>\$ (4,365,161)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	52,000,701	42,109,749	82,138,557	119,014,814	139,854,846
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 42,109,749</u>	<u>\$ 82,138,557</u>	<u>\$ 119,014,814</u>	<u>\$ 139,854,846</u>	<u>\$ 135,489,685</u>

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

GENERAL FUND

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

Fiscal Years Ending	2025			2026	2027
	Original Budget	Final Budget	Actual	Adopted Budget	Proposed Budget
REVENUES					
Real Property Taxes and Tax Items	\$ 64,554,361	\$ 64,554,361	\$ 59,127,027	\$ 66,955,889	\$ 68,940,361
Sales and Use Taxes	123,655,134	123,655,134	121,145,765	122,975,761	125,986,341
Other Local & Non-Property Tax Items	4,427,413	4,427,413	4,238,793	5,175,000	7,700,000
Departmental Income	13,307,905	13,307,905	14,927,551	19,765,280	13,663,586
Intergovernmental Charges	162,731	162,731	611,954	161,000	
Use of Money & Property	11,065,482	11,065,482	11,914,650	9,593,000	7,093,000
Licenses and Permits	3,127,968	3,127,968	4,425,880	4,127,500	4,425,000
Fines and Forfeitures	5,186,719	5,186,719	4,199,391	5,280,000	8,775,000
Sale of Property and Compensation for Loss	1,689,020	1,689,020	676,350	1,662,000	1,035,000
Miscellaneous	79,748	79,748	4,958,881	177,000	27,373,871
Interfund Revenues	-	-	-	-	-
Federal and State Aid and Other Grants	90,772,430	90,772,430	100,114,605	79,429,584	89,529,584
Total Revenues	\$ 318,028,911	\$ 318,028,911	\$ 326,340,847	\$ 315,302,014	\$ 354,521,743
EXPENDITURES					
General Government Support	\$ 59,215,598	\$ 59,215,598	\$ 56,835,622	\$ 44,252,469	\$ 45,446,853
Public Safety	187,579,590	187,579,590	181,931,286	195,798,224	206,839,082
Transportation	28,323,688	28,323,688	23,514,863	26,819,086	32,586,504
Economic Assistance & Opportunity	-	-	-	-	-
Culture and Recreation	16,247,879	16,247,879	14,448,150	16,981,862	18,417,881
Home and Community Services	17,179,960	17,179,960	18,528,383	21,628,635	21,670,072
Employee Benefits	-	-	-	-	-
Debt Service	-	-	2,258,281	-	-
Total Expenditures	\$ 308,546,715	\$ 308,546,715	\$ 297,516,585	\$ 305,480,277	\$ 324,960,392
Excess of Revenues Over (Under) Expenditures	9,482,196	9,482,196	28,824,262	9,821,737	29,561,351
Other Financing Sources (Uses):					
Proceeds from leases/SBITAs	-	-	1,202,033	-	-
Premium on Bonds	-	-	356	-	-
Operating Transfers In	3,542,041	3,542,041	3,542,040	3,340,750	-
Operating Transfers Out	(32,274,237)	(32,274,237)	(31,912,046)	(27,556,296)	(29,561,350)
Total Other Financing	(28,732,196)	(28,732,196)	(27,167,617)	(24,215,546)	(29,561,350)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(19,250,000)	(19,250,000)	1,656,645	(14,393,809)	-
FUND BALANCE					
Fund Balance - Beginning of Year	19,250,000	19,250,000	135,489,685	14,393,809	-
Prior Period Adjustment	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 137,146,330	\$ -	\$ -

Source: Audited Financial Statements and budgets (unaudited) of the City. This Appendix itself is not audited.

APPENDIX - B
City of Syracuse

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2026	\$ 28,670,221	\$ 6,526,470	\$ 35,196,691
2027	28,219,943	5,576,889	33,796,832
2028	19,455,709	4,532,346	23,988,055
2029	17,457,511	3,845,688	21,303,199
2030	17,352,257	3,230,670	20,582,927
2031	16,469,337	2,647,652	19,116,989
2032	12,115,059	2,079,438	14,194,497
2033	10,541,181	1,651,966	12,193,147
2034	8,288,817	1,282,498	9,571,315
2035	7,335,334	997,289	8,332,623
2036	6,541,695	748,528	7,290,223
2037	5,646,446	529,874	6,176,320
2038	3,129,379	331,931	3,461,310
2039	3,172,924	233,574	3,406,498
2040	3,237,876	132,524	3,370,400
2041	1,885,000	58,300	1,943,300
2042	320,000	13,200	333,200
TOTALS	\$ 189,838,686	\$ 34,418,838	\$ 224,257,525

Note: The schedule above includes water indebtedness; however, does not include EFC administrative fees, where applicable.

COMPUTATION OF SCHOOL DISTRICT FULL VALUATION

Using Regular Equalization Rates

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Assessed Valuation</u>					
City of Syracuse School District	\$4,019,344,386	\$4,184,136,940	\$4,378,684,615	\$4,524,164,423	\$4,628,400,330
Total Assessed Valuation	<u>\$4,019,344,386</u>	<u>\$4,184,136,940</u>	<u>\$4,378,684,615</u>	<u>\$4,524,164,423</u>	<u>\$4,628,400,330</u>
<u>State Equalization Rates</u>					
City of Syracuse School District	69.00%	64.50%	62.50%	57.50%	52.00%
Taxable Full Valuation	<u>\$5,825,136,791</u>	<u>\$6,487,034,016</u>	<u>\$7,005,895,384</u>	<u>\$7,868,112,040</u>	<u>\$8,900,769,865</u>

Using Special Equalization Rates

<u>Fiscal Year Ending June 30:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Assessed Valuation</u>					
City of Syracuse School District	\$4,019,344,386	\$4,184,136,940	\$4,378,684,615	\$4,524,164,423	\$4,628,400,330
Total Assessed Valuation	<u>\$4,019,344,386</u>	<u>\$4,184,136,940</u>	<u>\$4,378,684,615</u>	<u>\$4,524,164,423</u>	<u>\$4,628,400,330</u>
<u>Special Equalization Ratios:</u>					
City of Syracuse School District	61.83%	59.69%	55.09%	53.68%	51.28%
Taxable Full Valuation	<u>\$6,500,637,855</u>	<u>\$7,009,778,757</u>	<u>\$7,948,238,546</u>	<u>\$8,428,026,123</u>	<u>\$9,025,741,673</u>

MATERIAL EVENT NOTICES

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

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

- (i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated May 29, 2026 of the City relating to the Bonds under the headings "The City", "Tax Information", "Status of Indebtedness", "Litigation" and "APPENDIX A-A2", "APPENDIX – B", and "APPENDIX – C" by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending June 30, 2026, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending June 30, 2026; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the City of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the City of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;
- (ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:
 - (a) principal and interest payment delinquencies
 - (b) non-payment related defaults; if material
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties
 - (d) unscheduled draws on credit enhancements reflecting financial difficulties
 - (e) substitution of credit or liquidity providers, or their failure to perform
 - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (g) modifications to rights of Bondholders; if material
 - (h) bond calls, if material, and tender offers
 - (i) defeasances
 - (j) release, substitution, or sale of property securing repayment of the Bonds; if material
 - (k) rating changes
 - (l) bankruptcy, insolvency, receivership or similar event of the City;

- (m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (o) incurrence of a “financial obligation” (as defined in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect Bondholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

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

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

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

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The City may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the City determines that any such other event is material with respect to the Bonds; but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

- (iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

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

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

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Commission pursuant to the Securities Exchange Act of 1934, the City has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the EMMA system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the securities, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax status of the Notes
- (g) modifications to rights of security holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the securities
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the City
- (m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

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

With respect to event (d) the City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) 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 City 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 City, 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 City.

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The City has agreed to provide, or cause to be provided, during the period in which the Notes are outstanding in a timely manner, to EMMA or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed material event notices, if any, on or before the date specified.

The City may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the City determines that any such other event is material with respect to the Notes; but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

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

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

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CITY OF SYRACUSE
ONONDAGA COUNTY, NEW YORK

THE
AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

<https://emma.msrb.org/P21921584-P21469075-P21918765.pdf>

ARE HEREBY INCORPORATED INTO THIS
OFFICIAL STATEMENT

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

FORM OF BOND COUNSEL’S OPINION FOR THE BONDS

June 25, 2026

City of Syracuse City Hall
233 East Washington Street, Suite 128
Syracuse, New York 13202

Re: City of Syracuse, Onondaga County, New York
\$17,763,231 Public Improvement (Serial) Bonds, 2026 (the “Bonds”)

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$17,763,231 Public Improvement (Serial) Bonds, 2026 (the “Bonds”) of the City of Syracuse, Onondaga County, New York. The Bonds are being issued pursuant to the Local Finance Law, the City Charter, bond ordinances adopted by the Common Council and approved by the Mayor of the City (the “Bond Ordinances”), and a Certificate of Determination of the Commissioner of Finance of the City dated on or before June 25, 2026 relative to the form and terms of the Bonds.

In our opinion, the Bonds are valid and legally binding general obligations of the City for which the City has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the City is subject to levy of ad valorem real estate taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, subject to applicable statutory limitations, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from the gross income of the owners thereof under Section 103 of the Code. The Commissioner of Finance of the City, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the City 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 interest on the Bonds is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the City delivered concurrently with the delivery of the Bonds, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

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

The scope of our engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the City, together with other legally available sources of revenue, if any, will be sufficient to enable the City to pay the principal of or interest on the Bonds as the same respectively become due and payable. Reference should be made to the Official Statement dated May 29, 2026 (the "Official Statement") for factual information which, in the judgment of the City would materially affect the ability of the City to pay such principal and interest. We have not verified the accuracy, completeness or fairness of the factual information contained in the Official Statement and, accordingly, no opinion is expressed by us as to whether the City, in connection with the sale of the Bonds, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

We have examined the first executed Bond of said issue and, in our opinion, the form of said Bond and its execution are regular and proper.

Very truly yours,

Trespasz Law Offices, LLP

FORM OF BOND COUNSEL'S OPINION FOR THE NOTES

June 25, 2026

City of Syracuse City Hall
233 East Washington Street, Suite 128
Syracuse, New York 13202

Re: City of Syracuse, Onondaga County, New York
\$35,000,000 Bond Anticipation Notes, 2026 Series B (Federally Taxable) (the "Notes")

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$35,000,000 Bond Anticipation Notes, 2026 Series B (Federally Taxable) (the "Notes") of the City of Syracuse, Onondaga County, New York. The Notes are being issued pursuant to the Local Finance Law, the City Charter, a bond ordinance adopted by the Common Council and approved by the Mayor of the City (the "Bond Ordinance"), and a Certificate of Determination of the Commissioner of Finance of the City dated on or before June 25, 2026 relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the City for which the City has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the City is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, subject to applicable statutory limitations, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

In our opinion, interest on the Notes is included as gross income for federal income tax purposes and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

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

The scope of our engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the City, together with other legally available sources of revenue, if any, will be sufficient to enable the City to pay the principal of or interest on the Notes as the same respectively become due and payable. Reference should be made to the Official Statement dated May 29, 2026 (the "Official Statement") for factual information which, in the judgment of the City would materially affect the ability of the City to pay such principal and interest. We have not verified the accuracy, completeness or fairness of the factual information contained in the Official Statement and, accordingly, no opinion is expressed by us as to whether the City, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

We have examined the first executed Note of said issue and, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

Trespasz Law Offices, LLP