

NOTICE OF SALE

**TULLY JOINT FIRE DISTRICT**

**ONONDAGA COUNTY, NEW YORK**

**\$4,450,000 Bond Anticipation Notes, 2010**

Telephone (315-752-0051, **Ext. 1**), telefax (315-752-0057) or written proposals will be received and considered by the undersigned Treasurer of the Tully Joint Fire District, Onondaga County, New York, (the "Fire District") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202 until **11:30 A.M.**, Prevailing Time, on the **11<sup>th</sup> day of March, 2010** for the purchase in Federal Funds, at not less than par and accrued interest of \$4,450,000 Bond Anticipation Notes, 2010 (the "Notes") to be dated March 18, 2010 and maturing March 17, 2011, with interest payable at maturity. **The Notes are to be issued without option of prior redemption.**

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Town Law, Local Finance Law, and a bond resolution adopted by the Board of Fire Commissioners on November 3, 2009 authorizing the issuance of \$4,450,000 for the purpose of financing the demolition of the District's main fire station located on Railroad Street in the Village of Tully, New York and the construction on that site of a new 15,000 square foot building to serve as the District's main fire station and training facility. The proceeds of the notes will redeem \$500,000 bond anticipation notes maturing March 19, 2010 and provide \$3,950,000 in new monies for the aforementioned purpose.

If the purchaser requests the Notes to be issued in registered form, the Fire District will act as Paying Agent for the Notes. If the purchaser requests the Notes to be issued in bearer form, the purchaser will act as Paying Agent for the Notes. The Fire District contact information is as follows: Mr. Arthur Rienhardt, 4 1 Railroad Street, Tully, New York 13159 telephone: (315) 696-6414, telefax: (315) 696-8396, email: metro311@hotmail.com.

Principal of and interest on said Notes are payable at maturity in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York, as may be determined by such successful bidder. Paying agent fees, if any, are to be paid by the purchaser. The Notes will be issued in bearer form in the minimum denomination of \$5,000 each or integral multiples thereafter, as designated by the purchaser. The purchaser shall have the option of having the Notes issued in the form of fully registered certificated, Book-Entry-Only notes.

Said Notes will be delivered in New York, New York or at such place as may be agreed with the purchaser on or about March 18, 2010. The purchase price of the Notes, in accordance with each purchaser's bid, shall be paid in Federal Funds or other funds available for immediate credit on said delivery date.

**The Fire District will designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.**

Each bid must be for all of said Notes and state a single rate of interest therefor in a multiple of one hundredth (1/100th) or one eighth (1/8th) of one per centum (1%) per annum. Interest will be calculated on the basis of 30 days to the month and 360-days to the year. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost, that being the rate of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any; provided, however, that if two or more bidders offer to purchase the Notes at the same lowest net interest cost, then such award will be made to one of said bidders as may be selected by lot from among said bidders by the undersigned Fire District Treasurer. The right is reserved by said Fire District to reject all bids.

Said Notes will be awarded to the bidder offering the lowest net interest cost, that being the rate of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any. If two or more bids offering to purchase the same principal amount of Notes at the same lowest net interest rate are received, an award will be made by lot from among such lowest bids. In any event, the award of said Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on terms most favorable to said Fire District. The right is reserved by said Fire District to reject any and all bids and any bid not complying with this Notice of Sale will be rejected.

CUSIP identification numbers will be printed on the Notes if the purchaser provides Bond Counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 3:00 o'clock P.M. on the day following the date of sale of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Fire District, provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

If the purchaser desires registered book-entry notes, it must so notify Bond Counsel by 4:00 o'clock P.M., Prevailing Time, on the date of sale. In such case, the Notes will be (i) registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry system for recording the ownership interests of its participants, which include certain banks, trust companies and securities dealers, and the transfers of the interests among its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interests in the Notes may be made only through book entries made on the books and records of DTC (or a successor depository) and its participants, in minimum denomination of \$5,000 each or integral multiples thereafter. Principal of and interest on the Notes will be payable by the Fire District to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; 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 Fire District 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.

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes, such purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for said Notes: (i) a Closing Certificate, constituting a receipt for the Note proceeds and a signature certificate, which will include a statement that no litigation is pending, or to the knowledge of the signers, threatened affecting the Notes, (ii) an arbitrage certificate executed on behalf of the Fire District which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986 (the "Code"), with the owners of the Notes that the Fire District will, among other things, (A) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for Federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the Federal Government, if any, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes; and (iii) the unqualified legal opinion as to the validity of the Notes of Hancock & Estabrook, LLP, Bond Counsel, Syracuse, New York.

Following the sale of the Notes, the successful bidder will be required to provide to the Fire District certain information regarding the reoffering price to the public of the Notes. The successful bidder shall furnish to the Fire District a certificate acceptable to Bond Counsel, dated as of the day of closing for the Notes stating the initial prices at which a bona fide public offering of all of the Notes was made and stating that 10% or more of the Notes were in fact sold to the public (excluding bond houses, brokers and other intermediaries) at or below such initial respective public offering prices. Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

Any party executing and delivering a bid for the Notes agrees, if its bid is accepted by the School District, to provide to the School District, in writing, within two business days after the date of such award, all information which said successful bidder(s) determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt by the School District thereof, the School District will furnish to the successful bidder(s), in reasonable quantities as requested by the successful bidder(s), copies of such Official Statement, updated as necessary, and supplemented to include said information. Failure by the successful bidder(s) to provide such information will prevent the School District from furnishing such Official Statement as described above. The School District shall not be responsible or liable in any manner for the successful bidder(s)'s determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder(s) or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder(s) to provide the aforementioned information within the time specified. Acceptance by the successful bidder(s) of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of the School District with respect to the preparation and delivery thereof.

**Dated: March 2, 2010**

**ARTHUR RIENHARDT**  
**Chairman of the Board of Fire Commissioners  
and Treasurer**

# PROPOSAL FOR NOTES

Mr. Arthur P. Rienhardt  
 President of the Board of Education  
 Tully Joint Fire District  
 Onondaga County, New York  
 c/o Fiscal Advisors & Marketing, Inc.  
 120 Walton Street - Suite 600  
 Syracuse, New York 13202  
 Telephone # 315-752-0051, Ext. 1  
 Telefax # 315-752-0057

**SALE DATE: March 11, 2010**  
**SALE TIME: 11:30 o'clock A.M., Prevailing Time**

## \$4,450,000 Bond Anticipation Notes, 2010

**Date: March 18, 2010**

**Maturity: March 17, 2011**

Dear Sir:

(1) For \$\_\_\_\_\_ principal amount of the Notes of the Fire District as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$..... Dollars (\$.....) and accrued interest from the date of the Notes to the date of delivery thereof, for Notes bearing interest at the rate (expressed in a multiple of one-eighth or one-hundredth of one per centum) of..... per centum (.....%) per annum.

(2) For \$\_\_\_\_\_ principal amount of the Notes of the Fire District as described in the Official Notice of Sale annexed hereto, we hereby offer to pay \$..... Dollars (\$.....) and accrued interest from the date of the Notes to the date of delivery thereof, for Notes bearing interest at the rate (expressed in a multiple of one-eighth or one-hundredth of one per centum) of..... per centum (.....%) per annum.

The following is our computation of the net interest cost, made as provided in the above mentioned Official Notice of Sale, but not constituting any part of the foregoing Proposal for the purchase of the notes therein described:

|   |   |
|---|---|
| (1) For \$_____ Notes at _____%           | (2) For \$_____ Notes at _____%           |
| Gross Interest                    \$_____ | Gross Interest                    \$_____ |
| Less Premium Bid Over Par    \$_____      | Less Premium Bid Over Par    \$_____      |
| Net Interest Cost (NIC)        \$_____    | Net Interest Cost (NIC)        \$_____    |
| Effective NIC Rate                _____%  | Effective NIC Rate                _____%  |
| (four decimals)                           | (four decimals)                           |

In the event we are awarded all or any portion of said Notes, we will promptly notify you of the denominations and paying agent or if we desire book-entry-only form in accordance with the terms of said Notice of Sale.

\_\_\_\_\_

Print Name of Bidder

\_\_\_\_\_

Bank/Institution

Telephone (     ) \_\_\_\_\_

Telecopier (    ) \_\_\_\_\_

Email: \_\_\_\_\_