



NOTICE OF SALE

**VILLAGE OF MARATHON
CORTLAND COUNTY, NEW YORK**

\$525,000 PUBLIC IMPROVEMENT BONDS, 2010

LEGAL OPINION:

Hodgson Russ LLP, Buffalo, New York
John A. Alessi, Esq., Telephone: 716-848-1567 / Fax: 716-819-4660

NEW ISSUE:

\$525,000 (Electric - \$480,000; Vehicle - \$45,000)

CALLABLE:

The Bonds maturing on or before February 1, 2020 will not be subject to redemption, in whole or in part, prior to maturity. The Bonds maturing on or after February 1, 2021 will be subject to redemption prior to maturity, at the option of the Village, on February 1, 2020 and on any date thereafter, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at par (100%) plus accrued interest to the date of redemption

BANK DESIGNATED / QUALIFIED

DISCLOSURE INFORMATION:

Please refer to our website: www.municipalsolution.com to view a summary of the Village's financial information. If you require additional information, please contact our Canandaigua office at 585-394-4090.

PURPOSE:

Reconstruction of and construction of improvements to the Village electric system pursuant to a bond resolution adopted on November 7, 2007; and acquisition of a maintenance vehicle with plow and sander pursuant to a bond resolution adopted on May 7, 2008.

DATE OF BONDS:

February 4, 2010

SALE DATE & TIME:

January 20, 2010 (Wednesday) at 11:30 a.m. EST – Canandaigua, NY

CLOSING DATE & TIME:

February 4, 2010 (Thursday) at 11:00 a.m.

PAYMENT TO BE MADE IN FEDERAL FUNDS. THE BONDS MAY BE ISSUED IN BOOK-ENTRY FORM WITH DEPOSITORY TRUST CO. [DTC] OR, AT THE OPTION OF THE WINNING BIDDER, AS A REGISTERED STATUTORY INSTALLMENT BOND PAYABLE AT A FISCAL AGENT TO BE DESIGNATED BY THE VILLAGE, IN DENOMINATIONS SUCH THAT ONE PAYMENT WILL BE DUE ANNUALLY PURSUANT TO SECTION 62.10 OF THE LOCAL FINANCE LAW.

Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at such rate of interest as will produce the lowest net interest cost computed in accordance with the net interest cost method of calculation, that being the rate of interest which will produce the least interest cost over the life of the Bonds, after accounting for the premium offered, if any.

MUNICIPAL SOLUTIONS, INC.
2528 State Route 21
Canandaigua, New York 14424
Phone: 585-394-4090
Fax: 585-394-4092
www.municipalsolution.com

PROPOSAL FOR \$525,000 PUBLIC IMPROVEMENT BONDS, 2010
Village of Marathon, Cortland County, New York

The following is additional information about this sale.

Sale Date: January 20, 2010 (Wednesday)
 11:30 a.m. EST - Canandaigua, New York

DATE OF BONDS: February 4, 2010

MATURITIES:

<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>
February 1, 2011	\$30,000	February 1, 2021	\$25,000
February 1, 2012	30,000	February 1, 2022	25,000
February 1, 2013	30,000	February 1, 2023	30,000
February 1, 2014	20,000	February 1, 2024	30,000
February 1, 2015	20,000	February 1, 2025	30,000
February 1, 2016	20,000	February 1, 2026	35,000
February 1, 2017	20,000	February 1, 2027	35,000
February 1, 2018	20,000	February 1, 2028	35,000
February 1, 2019	25,000	February 1, 2029	40,000
February 1, 2020	25,000		

* The principal amounts of the installments listed in the table above are expected to provide for, together with interest thereon, substantially level or declining annual debt service on the Bonds. The Village reserves the right, after selecting the low bidder, to adjust the principal amounts of such maturities to the extent necessary to meet the requirements of substantially level or declining debt service.

INTEREST PAYABLE: February 1, 2011, August 2011 and semi-annually thereafter on February 1 and August 1 in each year until maturity (or earlier redemption).

RATING: None

TERMS OF BIDDING: Each proposal must be for all of the Bonds and may state different rates of interest for Bonds maturing in different calendar years, provided, however, that (i) only one rate of interest may be bid for all Bonds maturing in any one calendar year, (ii) the maximum difference between the highest and lowest rates of interest bid for the Bonds may not exceed one and one-half percentum (150 basis points) per annum, (iii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to Bonds maturing in any prior calendar year and (iv) all rates of interest bid must be stated in a multiple of one-eighth or one-hundredth of one percentum per annum. No proposed purchase price may be less than the par value of the principal amount of the Bonds. No proposal for less than all of the Bonds will be considered.

The deposit of the Bonds with DTC under a Book-Entry System requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the successful bidder to obtain CUSIP numbers for the Bonds prior to delivery.

Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase the bonds at such rate of interest as will produce the lowest net interest cost computed in accordance with the net interest cost method of calculation, that being the rate of interest which will produce the least interest cost over the life of the bonds, after accounting for the premium offered, if any. A GOOD FAITH DEPOSIT WILL NOT BE REQUIRED.

**PROPOSAL FOR PUBLIC IMPROVEMENT BONDS
Village of Marathon, Cortland County, New York**

Sylvia Boice, Village Treasurer
Village of Marathon, Cortland County, NY
c/o Municipal Solutions, Inc.
2528 State Route 21
Canandaigua, New York 14424
Telephone: 585-394-4090
Fax: 585-394-4092

Sale Date: January 20, 2010
11:30 A.M., Prevailing Time

Dated: February 1, 2010

Maturity Dates: February 1, 2011/29

Dear Ms. Boice:

For the **\$525,000 Public Improvement Bonds, 2010 of the Village of Marathon, Cortland County, New York**, that are the subject of the annexed Notice of Sale, which is hereby made a part of this bid, we will pay \$525,000 plus a premium of _____ Dollars (\$_____) and accrued interest to date of delivery, provided that the bonds maturing in the several years set forth below shall bear interest in the indicated multiple(s) of 1/8th or 1/100th of one per centum (1%), from their dated date until maturity at the respective rates per annum stated in the following table:

February 1, 2011	_____ %	February 1, 2021	_____ %
February 1, 2012	_____ %	February 1, 2022	_____ %
February 1, 2013	_____ %	February 1, 2023	_____ %
February 1, 2014	_____ %	February 1, 2024	_____ %
February 1, 2015	_____ %	February 1, 2025	_____ %
February 1, 2016	_____ %	February 1, 2026	_____ %
February 1, 2017	_____ %	February 1, 2027	_____ %
February 1, 2018	_____ %	February 1, 2028	_____ %
February 1, 2019	_____ %	February 1, 2029	_____ %
February 1, 2020	_____ %		

The following is our computation of the net interest cost, made as provided in the above - mentioned Notice of Bond Sale, but not constituting any part of the foregoing proposal for the purchase of the Bonds therein described

Interest Rate	_____ %
Gross Interest Cost	\$ _____
Less Premium Bid Over Par	\$ _____
Net Interest Cost	\$ _____
Effective Net Interest Cost Rate	_____ %
	(Four Decimals)

Book-Entry / DTC (Serial Bonds) _____
or
"Local" Closing
(Statutory Installment Bond) _____

Signature

Name of Financial Institution

Address

Telephone

Fax No.

Email Address