

Capital Markets Advisors, LLC

Independent Financial Advisors

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Office locations:

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DATE: September 5, 2017

Faxed (716) 662-6684 or telephoned (716) 662-3910 bids will be received by Capital Markets Advisors, LLC, Municipal Advisor to the Cheektowaga Central School District, Erie County, New York, on **Tuesday, September 12, 2017** before 11:00 AM for the purchase at not less than par the following notes:

TERM SHEET

ISSUER: Cheektowaga Central School District, Erie County, New York (the “District”)

ISSUE: \$995,000 Tax Anticipation Notes, 2017 (the “Notes”)

SALE DATE / TIME: September 12, 2017 11:00 AM

DATE OF ISSUE: September 20, 2017

DATE OF MATURITY: October 25, 2017

DENOMINATION: The Notes shall be in denominations of \$5,000 or any integral multiples in excess thereof, if delivered through the Depository Trust Company (“DTC”). At the option of the purchaser, one note will be prepared for portfolio purposes and delivered at a local closing.

DELIVERY: Through the offices of the Depository Trust Company (“DTC”) in New York, New York, or, at the option of the purchaser, at the District Offices in Cheektowaga, New York on September 20, 2017.

LEGAL OPINION: Opinion of Hodgson Russ LLP, of Buffalo, NY (“Bond Counsel”), will be provided at closing.

CALL FEATURE: Non-callable

FORM: Book-entry or in physical form at purchaser’s option. If book-entry, the purchaser shall be responsible for the assignment of a CUSIP number.

DESIGNATION: The Notes will be designated by the District as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

AUTHORITY FOR AND PURPOSE OF ISSUE:

The Notes are issued pursuant to the Constitution and laws of the State, including Sections 24.00 and 39.00 of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York, and a tax anticipation note resolution that was adopted by the Board of Education of the District on July 11, 2017, to finance cash flow requirements in anticipation of the collection of 2017-18 real property taxes levied or to be levied for school purposes on all taxable real property in the District. The proceeds of the Notes may be used only for the purposes for which such taxes were or are to be levied, as specified in the 2017-18 annual budget of the District, unless all of such purposes have been paid and satisfied, in which case the proceeds of the Notes may be used for any lawful school purpose. The proceeds of the Notes will

not be used for the redemption or renewal of any outstanding tax or revenue anticipation notes.

Pursuant to Section 24.00(e) of the Local Finance Law, generally, whenever the amounts of the Notes and any additional tax anticipation notes issued by the District in anticipation of the receipt of 2017-2018 real property taxes equals the amount of such taxes remaining uncollected, the District is required to set aside in a special bank account all of such uncollected taxes as thereafter collected, and to use the amounts so set aside only for the purpose of paying such notes. Interest on the Notes will be provided from budget appropriations.

PROPOSAL REQUIREMENTS:

Proposals must be for all of the Notes and must state, in a multiple of one-hundredth or one-eighth of 1%, a rate of interest per annum which such Notes shall bear.

The Notes will be awarded and sold to the bidder complying with the terms of sale and offering to purchase the Notes at the lowest net interest cost, and if two or more such bidders offer the same lowest net interest cost, then to one of such bidders selected by the President of the Board of Education of the District (the "Board President") by lot from among all such bidders.

The right is reserved to reject any or all bids (if such action is deemed by the Board President to be in the best interests of the District), and any bid not complying with the terms of this notice in all material respects will be rejected.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Competitive Sale Requirements"). Capital Markets Advisors, LLC (the "Municipal Advisor") will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Notes. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

The winning bidder shall, within one (1) hour after being notified of the award of the Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of the Notes (the "Initial Reoffering Prices") as of the date of the award.

By submitting a bid, the winning bidder(s) agrees (unless the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public) that if ten percent of each maturity (as hereinafter defined) of the Notes are not sold on the Sale Date and if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. Such election must be made on the bid form submitted by each bidder.

(1) Hold the Price. The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the District and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Notes within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Notes of such maturity at a price that is no higher, or

a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the fifth business day after the date of the award of the Notes, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) Follow the Price. The winning bidder(s):

(a) will make a bona fide offering to the public of all of the Notes at the Initial Reoffering Prices and provide the District and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the District and Bond Counsel information regarding the actual prices at which at least 10 percent of the Notes within each maturity of the Notes have been sold to the public,

(c) will provide the District and Bond Counsel with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Notes, will continue until such date that 10 percent of each maturity of the Notes has been sold to the public, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the “hold the price” or “follow the price” requirement, a “maturity” refers to Notes that have the same interest rate, credit and payment terms.

DISCLOSURE INFORMATION: The District will not deliver an official statement in connection with the sale of the Notes. Information is available from the District’s Municipal Advisor (see below) upon request.

RATING: The Notes will not be rated. Moody’s Investors Service (“Moody’s”) has previously assigned a rating of “Aa3” to the outstanding uninsured long-term debt of the District.

MUNICIPAL ADVISOR: Capital Markets Advisors, LLC
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BOND COUNSEL: Hodgson Russ LLP
140 Pearl Street, Suite 100
Buffalo, New York 14202
Contact: Jeffrey Stone, Esq., Partner
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ISSUER:

Christine Ljungberg
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Cheektowaga Central School
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Cheektowaga, New York 14225
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***Cashflow Statement of the District is attached hereto.**

***BID FORM CONTINUES ON NEXT PAGE**

PROPOSAL FOR NOTES

Renee M. Wilson
President of the Board of Education
Cheektowaga Central School District
Capital Markets Advisors, LLC
4211 N. Buffalo Rd., Suite 19
Orchard Park, NY 14127

September 12, 2017

TELEPHONE: (716) 662-3910

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**CHEEKTOWAGA CENTRAL SCHOOL DISTRICT
ERIE COUNTY, NEW YORK**

**\$995,000 TAX ANTICIPATION NOTES, 2017
(the "Notes")**

DATED: September 20, 2017

MATURITY: October 25, 2017

<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Premium</i>	<i>Net Interest Cost</i>
\$995,000	%	\$	%

Signature: _____

Name of Bidder: _____

Address of Bidder: _____

Telephone Contact of Bidder (Include Area Code): _____

Facsimile Contact of Bidder (Include Area Code): _____

Email Address of Bidder : _____

Please select one of the following (if no option is selected, the book-entry-only option will be assumed to have been selected by the purchaser):

- Book-Entry-Only registered to Cede & Co.
- Registered in the Name of the Purchaser

Please check one of the following:

- We are purchasing the Notes for our own account and not with a view to distribution or resale to the public.
- In the event the Competitive Sale Requirements are not met, we hereby elect to:
 - Hold the Price
 - Follow the Price

The bidder represents that it has an established industry reputation for underwriting new issuances of municipal bonds:

Yes

No

Cheektowaga Central School District
 Projected Cash Flow (all Government and Fiduciary Funds except Capital)
 for the year ended June 30, 2018

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Beginning Cash Investment	5,747,991	4,261,834	3,168,807	265,325	20,588,165	17,765,241	11,423,155	11,918,234	10,069,120	11,274,643	9,258,263	7,219,397
Cash Receipts												
Property Tax (inc PILOT)	-	-	-	19,732,469	677,287	83,814		601,840	6,524	13,558		-
STAR Reimbursement	-	-	-	-	-		3,304,175			-		-
Erie County Sales Tax	613,419	-	-	613,419			613,419			613,419		-
General State Aid	-	-	99,114	-	-	23,520		159,989	3,884,442		884,809	1,285,462
Lottery Aid (inc. VLT grant)	-	-	-	2,257,711	74,895	74,895	74,895	74,895	104,355			-
Excess Cost Aid	-	313,172	-	-	-	481,280			899,159			280,000
BOCES Aid	94,496	-	-	423,399				101,844				-
Grants	109,159	236,371	-	1,445,413	4,000	152,378	383,629	274,081	201,154	100,977	82,702	445,000
Medicaid	12,427	40,865	-	22,372	3,983	38,248	26,449	21,410	34,396	31,423	33,427	-
Cafeteria Fund Sales & Reimbursement	79,995	-	-	120,494	129,796	119,581	96,858	115,914	101,399	4,353	208,846	120,000
Tuition	393,510	-	19,665	5,696		10,206	68,666	21,813				20,000
Other Local	52,131	30,276	121,903	21,407	31,747	34,169	32,353	24,355	43,289	30,923	54,984	50,000
Debt Proceeds (non-capital)												
Total Cash Receipts	1,355,137	620,684	240,682	24,642,380	921,708	1,018,091	4,600,444	1,396,141	5,274,718	794,653	1,264,768	2,200,462
Cash Disbursements												
Payroll	708,280	393,371	1,148,006	1,152,208	1,131,366	1,620,709	1,135,875	1,167,135	1,161,641	1,129,046	1,142,021	2,525,000
Employee Tax & Benefits	748,873	675,000	1,242,403	1,104,187	1,258,596	2,469,094	1,124,870	695,364	1,582,170	641,651	1,075,374	2,100,000
Transportation	362,500	148,750	-	440,655	482,598	441,071	376,930	487,785	381,678	499,218	326,709	390,000
Tuition	218,669	75,000	65,649	100,904	212,755	500,506	629,424	372,530	335,540	182,114	183,388	350,000
BOCES	333,095	146,706	312,402	243,651	244,256	265,961	530,924	275,208	267,378	-	263,512	250,000
Debt Service	92,918	62,060	-	607,313	-	1,565,135	-	-	62,060	102,689	62,060	-
Other (inc. Materials & Supplies, contractu	376,959	212,824	375,704	670,622	415,062	497,701	307,342	247,233	278,728	256,316	250,571	350,000
Total Cash Disbursements	2,841,294	1,713,711	3,144,164	4,319,540	3,744,632	7,360,177	4,105,365	3,245,255	4,069,195	2,811,033	3,303,635	5,965,000
Net Change in Cash Position	(1,486,157)	(1,093,027)	(2,903,482)	20,322,840	(2,822,924)	(6,342,086)	495,079	(1,849,114)	1,205,523	(2,016,380)	(2,038,867)	(3,764,538)
Ending Cash Investment	4,261,834	3,168,807	265,325	20,588,165	17,765,241	11,423,155	11,918,234	10,069,120	11,274,643	9,258,263	7,219,397	3,454,859
Restricted Cash												
Debt Service Reserve	253,889	253,889	253,889	253,889	253,889	253,889	253,889	253,889	253,889	253,889	253,889	253,889
Capital Reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889	1,253,889
Unrestricted Cash (working capital)	3,007,945	1,914,918	(988,564)	19,334,276	16,511,352	10,169,266	10,664,345	8,815,231	10,020,754	8,004,374	5,965,508	2,200,970