

Capital Markets Advisors, LLC
Independent Financial Advisors
4211 N. Buffalo Road, Suite 19
Orchard Park, New York 14127
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Other locations:
Elmira
Great Neck
Hopewell Junction

September 14, 2017

Faxed or telephoned bids are requested by Capital Markets Advisors, LLC for the Walton Central School District, Delaware County, New York, on **Wednesday, September 20, 2017** by 11:00 AM for the purchase at not less than par of the following notes:

TERM SHEET

ISSUER: Walton Central School District (the “District”)
Delaware County, New York

ISSUE: \$759,855 Revenue Anticipation Notes, 2017 (the “Notes”)

SALE DATE: September 20, 2017

SALE TIME: 11:00 A.M. (Prevailing Time)

DATE OF ISSUE: October 4, 2017

DATE OF MATURITY: March 30, 2018

DENOMINATION: The Notes shall be in denominations of \$5,000 or any integral multiple thereof if delivered through DTC, except for one necessary odd denomination. At the winning bidder’s option, one note will be prepared for portfolio purposes and delivered at a local closing.

DELIVERY: Delivery of the Notes will be in Walton, New York or New York, New York on or about October 4, 2017 or as otherwise mutually agreed upon by the District and the purchaser.

LEGAL OPINION: Opinion of Bond, Schoeneck & King, Bond Counsel, will be provided at closing.

NO CALL FEATURE: The Notes will not be subject to redemption, in whole or in part, prior to maturity.

FORM: The Notes will be issued as registered notes, and at the option of the purchaser, may be registered to The Depository Trust Company (“DTC”) or may be registered in the name of the purchaser. If DTC, the purchaser shall be responsible for the assignment of a CUSIP number.

DESIGNATION: The Notes **will be** designated 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: Notes are issued pursuant to the Constitution and laws of the State, including Sections 25.00 and 39.00 of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York, and a revenue anticipation note resolution adopted by the Walton CSD School Board on August 22, 2017 to finance cash flow

requirements necessitated by the timing of receipts and expenditures during the 2017-2018 fiscal year. The Notes are authorized to be issued in anticipation of aid payments to be received from the State of New York during the fiscal year which commenced July 1, 2017.

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.

OFFICIAL STATEMENT:

The District has **not** prepared an official statement in connection with the sale of the Notes; however information relating to the District is available upon request made to the District’s Financial Advisor (see below).

BOND RATING:

The Notes are not rated.

Moody’s Investors Service, Inc. has previously assigned an underlying rating of “A2” to the uninsured outstanding bonded indebtedness of the District, and an enhanced rating of “A1” which reflects the additional security provisions offered by New York State’s school debt intercept program. New York’s school debt intercept program, contained in Section 99-B of the State Finance Law, authorizes the State to withhold future allotments of State aid in order to make bond or note payments in the event of default by the District.

ISSUER CONTACT:

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Walton, NY 13865
Phone: (607) 865-4116
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BOND COUNSEL:

Bond, Schoeneck & King
Paul W. Reichel
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FINANCIAL ADVISOR:

Capital Markets Advisors, LLC
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Orchard Park, NY 14127
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Phone: (716) 662-3910
Email: rganci@capmark.org

***Cashflow Statement of the District is attached hereto.**

***BID FORM CONTINUES ON NEXT PAGE**

BID PROPOSAL

Ronda L. Williams
President of the Board of Education
Walton Central School District
c/o Capital Markets Advisors, LLC
4211 N. Buffalo Rd., Suite 19
Orchard Park, New York 14127

September 20, 2017

TELEPHONE: (716) 662-3910

FACSIMILE: (716) 662-6684

WALTON CENTRAL SCHOOL DISTRICT
DELAWARE COUNTY, NEW YORK

\$759,855 REVENUE ANTICIPATION NOTES, 2017

DATED: October 4, 2017

MATURITY DATE: March 30, 2018

<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Premium</i>	<i>Net Interest Cost</i>
\$759,855	%	\$	%

Signature: _____

Name of Bidder: _____

Address of Bidder: _____

Telephone contact of Bidder (Area Code): _____

Facsimile contact of Bidder (Area Code): _____

Email 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

WALTON CENTRAL SCHOOL DISTRICT

CASH FLOW 7/1/17-6/30/18

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE		TOTAL
RECEIPTS														
Property Taxes			2,155,500.00	2,874,000.00	718,500.00	718,500.00								6,466,500.00
State Aid-Other	0.00	135,447.84	2,708,956.84	677,239.21	270,895.68	812,687.05	406,343.53	1,625,374.11	3,386,196.05	135,447.84	1,354,478.42	1,354,478.42		12,867,545.00
BOCES Refund	150,000.00						0.00	0.00	0.00					150,000.00
Medicaid/Medicare	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67	6,666.67		80,000.00
All Other	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33	12,699.33		152,392.00
Interfund Transfer for Debt				96,000.00									0.00	96,000.00
Appropriated Fund Balance	717,767.00												0.00	717,767.00
Total	887,133.00	154,813.84	4,883,822.84	3,666,605.21	1,008,761.68	1,550,553.05	425,709.53	1,644,740.11	3,405,562.05	154,813.84	1,373,844.42	1,373,844.42		20,530,204.00

DISBURSEMENTS														
Warrants - General Fund	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00	195,833.00		2,349,996.00
Payroll	219,333.33	219,333.33	658,000.00	658,000.00	658,000.00	658,000.00	658,000.00	658,000.00	987,000.00	658,000.00	658,000.00	1,316,000.00		8,005,666.67
BOCES Contract Payments	100.00	0.00	0.00	590,542.00	0.00	311,714.00	627,069.00	9,651.00	642,957.00	319,612.00	335,152.00	317,100.00		3,153,897.00
Health Insurance	0.00	0.00	0.00	331,000.00	331,000.00	331,000.00	331,000.00	331,000.00	331,000.00	331,000.00	331,000.00	1,324,000.00		3,972,000.00
Employee Benefits	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00	141,666.00		1,699,992.00
Debt Service			94,976.00			112,787.50	0.00					797,787.50		1,005,551.00
Total	556,932.33	556,832.33	995,499.00	1,917,041.00	1,326,499.00	1,638,213.00	1,953,568.00	1,336,150.00	2,298,456.00	1,646,111.00	1,661,651.00	4,092,386.50		19,979,339.17

Cash Balance	330,200.67	(402,018.49)	3,888,323.84	1,749,564.21	(317,737.32)	(87,659.95)	(1,527,858.47)	308,590.11	1,107,106.05	(1,491,297.16)	(287,806.58)	(2,718,542.08)		550,864.83
Beginning Cash Balance														
	500,000.00	830,200.67	428,182.18	4,316,506.02	6,066,070.23	5,748,332.91	5,660,672.96	4,132,814.49	4,441,404.60	5,548,510.65	4,057,213.49	3,769,406.91	1,050,864.83	