

NOTICE OF SALE

CANAJOHARIE CENTRAL SCHOOL DISTRICT
MONTGOMERY COUNTY, NEW YORK

\$1,600,000 Revenue Anticipation Notes, 2009

Telephone (315-752-0051 Ext 1), telefax (315-752-0057) or written proposals will be received and considered by the undersigned President of the Board of Education of the Canajoharie Central School District, Montgomery County, New York, (the "School District") at the offices of Fiscal Advisors & Marketing, Inc., 120 Walton Street • Suite 600, Syracuse, New York 13202 until **11:00 A.M.**, Prevailing Time, on the **7th day of July, 2009** for the purchase in Federal Funds, at not less than par and accrued interest of \$1,600,000 Revenue Anticipation Notes, 2009 (the "Notes") to be dated July 9, 2009 and maturing June 30, 2010, with interest payable at maturity. The Notes are to be issued without option of prior redemption.

The Notes are being issued in anticipation of the receipt of State aid for the fiscal year ending June 30, 2010 and pursuant to a cumulative cash flow statements attached hereto as APPENDIX A.

Principal and interest on the Notes are payable at maturity in lawful money of the United States of America (Federal Funds). The purchaser(s) shall have the right to designate a bank or banks located and authorized to do business in the State of New York as the place or places for the payment of the principal and interest on the Notes. Paying agent fees, if any, are to be paid by the purchaser(s). The Notes will be issued in bearer form in the denomination of \$5,000 each or multiples thereof, as may be designated by the purchaser(s).

If the purchaser(s) request the Note to be issued in registered form, the District will act as Paying Agent for the Notes. If the purchaser(s) request the Note to be issued in bearer form, the purchaser will act as Paying Agent for the Notes. The District's contact information is as follows: Mr. Richard G. Rose, Superintendent, 136 Scholastic Way, Canajoharie, New York 13317, Phone: (518) 673-6301, Fax: (518) 673-3177, Email: rrose@canajoharie.k12.ny.us

Said Notes will be delivered in New York, New York or at such place as may be agreed with the purchaser on or about July 9, 2009. 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 School 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 may be for all or any of the Notes and state a single rate of interest therefor in a multiple of 1/100 or 1/8 of one per centum per annum. Interest will be calculated on the basis of a 360-day year and a 30-day month. Each bid must be for not less than the par value of the Notes.

The Notes will be awarded to the bidder(s) 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 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 the Notes will be made on the basis of the bid offering to purchase the Notes on terms most favorable to the School District. The right is reserved by the School District to reject any and all bids and any bid not complying with this Notice of Sale will be rejected.

The purchaser(s) shall have the option of having the Notes issued in bearer form or in the form of book-entry-only notes registered in the name of Cede & Co., as nominee for the DTC. If the Notes are issued in bearer form, principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank or trust company authorized to do business in the State of New York as may be selected by the successful bidder(s).

CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers by the close of business on 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(s) 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 School 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(s).

The Notes will be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

As a condition to each 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 School 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 School 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 Lemery Greisler LLC, Bond Counsel, Saratoga Springs, New York.

Following the sale of the Notes, the successful bidder(s) will be required to provide to the School District certain information regarding the reoffering price to the public of the Notes. The successful bidder(s) shall furnish to the School 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(s) after appropriate investigation.

In the event of a default in the payment of the principal of and/or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes.

There is no offering document which accompanies this Notice of Sale.

Dated: June 29, 2009

JOHN DEVALVE
**President of the Board of Education/
Chief Fiscal Officer**

PROPOSAL FOR NOTES

Mr. John DeValve
President of the Board of Education
Canajoharie Central School District
Montgomery County, New York
c/o Fiscal Advisors & Marketing, Inc.
120 Walton Street • Suite 600
Syracuse, New York 13202
Telephone # 315-752-0051
Telefax # 315-752-0057

SALE DATE: July 7, 2009
SALE TIME: 11:00 A.M., Prevailing Time

\$1,600,000 Revenue Anticipation Notes, 2009

Date: July 9, 2009

Maturity: June 30, 2010

Dear Mr. DeValve

(1) For \$ _____ of the Notes of the School District as described in the Notice of Sale annexed hereto, we hereby offer to pay (\$ _____) 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 annum.

(2) For \$ _____ of the Notes of the School District as described in the Notice of Sale annexed hereto, we hereby offer to pay (\$ _____) 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 annum.

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

(1) For \$ _____ Bid at _____ %	(2) For \$ _____ Bid at _____ %
Gross Interest \$ _____	Gross Interest \$ _____
Premium Bid Over Par \$ _____	Premium Bid Over Par \$ _____
Net Interest Cost \$ _____	Net Interest Cost \$ _____
Effective Net Interest Rate _____ %	Effective Net Interest Rate _____ %

In the event we are awarded all or any portion of said Notes, we will promptly notify you of the denominations and paying agent desired in accordance with the terms of said Notice of Sale.

Name of Bidder

Bank/Institution

Telephone () _____

Telecopier () _____

CANAJOHARIE CENTRAL SCHOOL DISTRICT

ESTIMATED MONTHLY CASH FLOW

(General Fund)

2009-2010 CASHFLOW	2009					2010					12 MONTH TOTAL		
	July	August	September	October	November	December	January	February	March	April		May	June
Beginning Balance:	\$1,800,000	\$861,000	\$81,000	\$684,630	\$1,332,630	\$1,103,130	\$476,130	\$355,580	\$550,580	\$1,224,580	\$2,340,160	\$3,240,160	\$1,800,000
Receipts:													
Real Property Taxes	0	0	1,976,000	2,025,000	840,000	375,000	450,000	270,000	0	280,000	0	0	\$6,216,000
State Revenues	211,000	350,000	174,000	225,000	350,500	1,050,000	705,450	1,180,000	1,950,000	2,015,080	1,895,000	1,995,000	12,101,030
Interest Income	15,000	15,000	18,630	18,000	30,000	28,000	164,000	75,000	19,000	12,500	21,000	100,000	516,130
Other Revenues	20,000	20,000	10,000	20,000	20,000	20,000	10,000	10,000	25,000	25,000	10,000	10,000	200,000
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Receipts	\$246,000	\$385,000	\$2,178,630	\$2,288,000	\$1,240,500	\$1,473,000	\$1,329,450	\$1,535,000	\$1,994,000	\$2,332,580	\$1,926,000	\$2,105,000	\$19,033,160
Total Available Cash	\$2,046,000	\$1,246,000	\$2,259,630	\$2,972,630	\$2,573,130	\$2,576,130	\$1,805,580	\$1,890,580	\$2,544,580	\$3,557,160	\$4,266,160	\$5,345,160	\$20,833,160
Disbursements:													
Payroll	600,000	570,000	750,000	725,000	725,000	640,000	635,000	620,000	635,000	535,000	500,000	975,000	7,910,000
Warrants	400,000	400,000	400,000	550,000	550,000	550,000	550,000	475,000	480,000	550,000	351,000	420,000	5,676,000
Other	185,000	195,000	425,000	365,000	195,000	235,000	265,000	245,000	205,000	132,000	175,000	180,000	2,802,000
Debt Service	0	0	0	0	0	675,000	0	0	0	0	0	0	2,415,000
RAN Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Disbursements	\$1,185,000	\$1,165,000	\$1,575,000	\$1,640,000	\$1,470,000	\$2,100,000	\$1,450,000	\$1,340,000	\$1,320,000	\$1,217,000	\$1,026,000	\$3,315,000	\$18,803,000
Ending Balance:	\$861,000	\$81,000	\$684,630	\$1,332,630	\$1,103,130	\$476,130	\$355,580	\$550,580	\$1,224,580	\$2,340,160	\$3,240,160	\$2,030,160	\$2,030,160

Includes RAN proceeds delivered on July 9, 2009.