



11 Grace Avenue / Suite 308
Great Neck, New York 11021
Phone 516-487-9817/ Fax 516-487-2575
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TERM SHEET

- ISSUER:** Village of Kaser (the “Village”), Rockland County, New York
- ISSUE:** \$270,000 Bond Anticipation Notes – 2025 (the “Notes”)
- DATE OF ISSUE:** May 16, 2025 (TBD)
- DATE OF MATURITY:** May 15, 2026 (TBD)
- GENERAL INFORMATION:** The Village is located in the Town of Ramapo in Rockland County, New York. The estimated population of the Village was 5,699 as of 2023 according to the U.S Census Bureau. The Village is primarily residential in nature and is located approximately 25 miles north of New York City.
- DELIVERY:** Delivery of the Notes will be in the Village or through the facilities of The Depository Trust Company (“DTC”) on or about May 16, 2025 or as otherwise mutually agreed upon by the Village and the purchaser.
- CALL FEATURE:** The Notes will not be subject to optional redemption prior to maturity.
- LEGAL OPINION:** The approving legal opinion will be provided by Hawkins Delafield & Wood LLP, New York, New York, as bond counsel. The form of opinion of Bond Counsel is attached hereto as Appendix B.
- NATURE OF OBLIGATION:** The Notes are general obligations of the Village and the faith and credit of the Village shall be pledged for payment of the principal of and interest on the Notes. All the taxable real property in the Village will be subject to the levy of ad valorem taxes, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011, sufficient to pay the principal of and interest on the Notes.
- FORM:** The Notes will be issued in registered form. The Notes may be either registered to the purchaser or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York (“DTC”) as book-entry notes.
- A single Note certificate shall be delivered to the purchaser of the Notes requested as registered to the purchaser, and each note certificate shall bear a single rate of interest and shall be in a denomination equal to the aggregate amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable 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 (the “State”) as may be selected by the successful bidder.

If the Notes are issued as book-entry only-notes registered to Cede & Co., DTC will act as securities depository for the Notes and owners will not receive certificates representing their interest in the Notes. **Individual purchases may be made in denominations of \$5,000 or integral multiples thereof.** A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Village to the registered owner, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein.

CUSIP identification numbers will be printed on the book-entry only notes if Bond Counsel is provided with such number(s) by the close of business on the Sale Date 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 and pay for the Notes in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Village; 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. For those Notes issued in registered form, the Village will act as Fiscal Agent for the Notes. Fiscal agent fees, if any, will be paid by the purchaser. The Village's contact information is as follows: Binyomin Mermelstein, Village Clerk-Treasurer, 15 Elyon Road, P.O. Box 391, Kaser, New York, 10952, (845) 352-2932, e-mail: kaser@ksrnet.com.

TAX EXEMPT STATUS:

The opinion of Bond Counsel shall state that, under existing statutes and court decisions and assuming continuing compliance with the provisions and procedures set forth in the Tax Certificate to be executed by the Village Clerk-Treasurer and delivered at the time of delivery of the Notes, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code; and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code; however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, the opinion of Bond Counsel will state that, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

BANK QUALIFICATION:

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:

The Notes are being issued pursuant to the State Constitution and laws of the State, including among others, the Village Law and the Local Finance Law, and other proceedings and determinations relating thereto, including two bond resolutions adopted by the Village Board on February 12, 2025, authorizing the issuance of bonds to finance (i) the construction of a new steel bus garage and the reconstruction of related village facilities at a cost of \$200,000 and (ii) the reconstruction of buses at a cost of \$70,000. The proceeds from the sale of the Notes will be used to provide original financing pursuant to these resolutions.

BIDDING REQUIREMENTS: Bids must be made for all of the Notes and must state in a multiple of one-hundredth or one-eighth of 1% a single rate or rates 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 said bidders selected by the Village by lot from among all said bidders.

The right is reserved to reject any or all bids and any bid not complying with the terms of this notice will be rejected. Conditional bids will not be accepted.

OFFICIAL STATEMENT: The Village has not prepared an Official Statement in connection with the sale of the Notes.

FINANCIAL STATEMENTS: The most recent independent audit of the Village for the fiscal year ended May 31, 2022 or unaudited Annual Update Document (AUD) filed with New York State for the fiscal years ended May 31, 2023 and 2024 can be sent upon request to Capital Markets Advisors, LLC, the Village's Municipal Advisor, at (516) 487-9817.

**SUMMARY OF BUDGETS
AND FINANCIAL
STATEMENTS:**

Summaries of the Village's Adopted Budgets for the fiscal years ended May 31, 2025 and May 31, 2026, its financial statements for the fiscal years ended May 31, 2020 through 2022, inclusive, and its AUD for the fiscal years ended May 31, 2023 and 2024 are attached hereto as Appendix A.

BOND RATING: The Notes are not rated. The Village does not have an underlying credit rating.

ISSUER CONTACT: Village of Kaser
1 Elyon Road
P.O. Box 391
Kaser, NY 10952
Attn: Mr. Binyomin Mermelstein, Village Clerk-Treasurer
Phone: (845) 352-2932
E-mail: kaser@ksrnet.com

FINANCIAL ADVISOR: Capital Markets Advisors, LLC
11 Grace Avenue, Suite 308
Great Neck, New York 11021
Attn: Mr. Anthony Nash, Senior Vice President
Phone: (516) 487-9817
E-mail: anash@capmark.org

BOND COUNSEL: Hawkins Delafield & Wood LLP
140 Broadway, 42nd Floor
New York, New York 10005
Attn: Mr. William Jackson, Partner
Phone: (212) 820-9620
E-mail: wjackson@hawkins.com

Dated: May 2, 2025

PROPOSAL FOR NOTES

May 8, 2025

Mr. Binyomin Mermelstein
Village Clerk-Treasurer
Village of Kaser
c/o Capital Markets Advisors, LLC
11 Grace Avenue, Suite 308
Great Neck, New York 11021

TELEPHONE: (516) 487-9817

FACSIMILE: (516) 487-2575

VILLAGE OF KASER
ROCKLAND COUNTY, NEW YORK

\$270,000
BOND ANTICIPATION NOTES – 2025
(the "Notes")

DATED: May 16, 2025

MATURITY DATE: May 15, 2026

	Amount	Interest Rate	Premium	Net Interest Cost*
Bid	\$270,000	%	\$	%

*The computation of the net interest cost is made as provided in the above-mentioned Term Sheet but does not constitute any part of the foregoing Proposal for the purchase of the Notes therein described.

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 bidder):

Form of Note: **Book-Entry-Only** or Registered to Purchaser
(circle one)

Please check one of the following:

- We are purchasing the Notes for our own account and have no present intention to sell, reoffer or otherwise dispose of the Notes.
- We are purchasing the Notes for the purpose of reoffering all of them to the public, as defined in the section titled "REOFFERING AND ISSUE PRICE" in the Term Sheet.

Signature: _____

Name of Bidder: _____

Company: _____

Address of Bidder: _____

Tel. (Area Code): _____ Fax (Area Code): _____

APPENDIX A

FINANCIAL STATEMENT SUMMARIES

VILLAGE OF KASER
ROCKLAND COUNTY, NEW YORK
 Adopted and Proposed Budgets - General Fund
 Fiscal Year ending May 31:

	<u>2025</u>	<u>2026</u>
Revenues:		
Real Property Taxes	\$63,461	\$50,625
Other Tax Items	1,097,260	1,309,600
Non-Property Taxes	195,000	197,000
State Aid	339,630	495,600
Miscellaneous	595,629	1,025,500
	<u>\$2,290,980</u>	<u>\$3,078,325</u>
Total Revenues		
	<u>\$2,290,980</u>	<u>\$3,078,325</u>
Appropriations:		
General Government Support	\$732,130	\$836,075
Public Safety	79,900	85,400
Street Maintenance	78,000	80,000
Culture and Recreation	10,000	12,000
Refuse	654,800	772,500
Transportation	585,000	1,125,000
Employee Benefits	151,150	167,350
Interfund Transfers	0	0
	<u>0</u>	<u>0</u>
Total Appropriations		
	<u>\$2,290,980</u>	<u>\$3,078,325</u>

Source: Adopted Budgets of the Village.

**VILLAGE OF KASER
ROCKLAND COUNTY, NEW YORK**

Balance Sheet

General Fund

Fiscal Year Ended May 31:

	<u>2023</u> ⁽¹⁾	<u>2024</u> ⁽¹⁾
Assets:		
Cash and Equivalents	\$146,276	\$32,974
Cash - Special Reserves	0	0
Accounts Receivable	36,056	245,167
Due From Other Funds	192,208	122,046
Due from Other Governments	10,156	237,682
Prepaid Expenses	0	15,975
Total Assets	\$384,696	\$653,844
 Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable	\$81,934	\$370,127
Escrow Payable	0	0
Payroll Liabilities	18,388	24,406
Other Liabilities - ARPA Funds	85,253	0
Due To Other Governments	0	0
Due To Other Funds	0	0
Total Liabilities	\$185,575	\$394,533
 Fund Balance:		
Restricted:	\$0	\$15,975
Assigned:	45,230	45,498
Unassigned	153,891	197,838
Total Fund Balance	199,121	259,311
Total Liabilities and Fund Balance	\$384,696	\$653,844

(1) Unaudited

Source: Audited Financial Statements of the Village and Annual Update Document (AUD) filed with New York State. Please note the AUD is not prepared in accordance with General Accepted Accounting Principles (GAAP).

ROCKLAND COUNTY, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Fiscal Year Ended May 31:

REVENUES	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023⁽¹⁾</u>	<u>2024⁽¹⁾</u>
Real Property Taxes	\$55,246	\$56,233	\$58,187	\$60,191	\$59,000
Special Assessments	12,000	12,000	12,000	12,000	12,000
Utility Tax	62,942	55,821	36,518	43,130	32,841
Sales Tax	111,794	138,093	138,631	144,984	181,293
Refuse and Garbage	423,764	423,349	617,995	775,643	847,803
Other General Departmental Income	146,602	153,900	225,131	372,433	1,221,520
Sale of Property and Compensation for Loss	1,750	0	0	19,676	16,525
Fees and Permits	68,806	83,460	76,312	106,328	28,751
Interest Income	2,047	2,444	3,022	2,534	1,220
Insurance Recoveries	15,343	0	0	0	0
Federal Aid	0	0	115,526	367,218	85,562
State Aid	98,335	34,665	50,386	179,509	516,324
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$998,629</u>	<u>\$959,965</u>	<u>\$1,333,708</u>	<u>\$2,083,646</u>	<u>\$3,002,839</u>
EXPENDITURES					
General Government Support	\$278,418	\$406,586	\$509,418	\$993,270	\$1,295,956
Public Safety	69,581	71,020	79,101	205,930	101,270
Health	0	0	0	0	0
Street Maintenance/Transportation	52,503	64,732	55,462	644,521	906,968
Culture and Recreation	181	4,399	2,096	0	2,279
Home and Community Services	388,924	271,655	747,976	279,803	402,065
Employee Benefits	22,960	55,146	76,169	110,743	149,814
Debt Service	0	3,633	47,309	65,851	84,297
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	\$812,567	\$877,171	\$1,517,531	\$2,300,118	\$2,942,649
Excess of Revenues over (under) Expenditures	<u>\$186,062</u>	<u>\$82,794</u>	<u>(\$183,823)</u>	<u>(\$216,472)</u>	<u>\$60,190</u>
Other Financing Sources (Uses):					
Proceeds of Obligations	\$0	\$0	\$100,800	\$0	\$0
Proceeds from Sale of Sanitation Vehicles	0	0	0	0	0
Interfund Transfers In	0	45,000	0	0	0
Interfund Transfers Out	(98,733)	0	0	0	0
Transfers to Debt Service Fund	0	0	0	0	0
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	(\$98,733)	\$45,000	\$100,800	\$0	\$0
Excess (Def) of Revenues and Other Sources Over Expenditures and Other Uses	<u>87,329</u>	<u>127,794</u>	<u>(83,023)</u>	<u>(216,472)</u>	<u>60,190</u>
Fund Balance Beginning of Year	\$283,493	\$370,822	\$498,616	\$415,593	\$199,121
Fund Balance End of Year	<u>\$370,822</u>	<u>\$498,616</u>	<u>\$415,593</u>	<u>\$199,121</u>	<u>\$259,311</u>

(1) Unaudited

Source: Audited Financial Statements of the Village and Annual Update Document (AUD) filed with New York State. Please note the AUD is not prepared in accordance with Generally Accepted Accounting Principles (GAAP).

APPENDIX B

FORM OF OPINION

Hawkins Delafield & Wood LLP
140 Broadway – 42nd floor
New York, New York 10005

May 16, 2025

The Board of Trustees of the
Village of Kaser, in the
County of Rockland, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Kaser (the “Village”), in the County of Rockland, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$270,000 Bond Anticipation Note-2025 (the “Note”) of the Village dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Note may be limited by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings

be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Note, the Village will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Note will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Village's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Note, and (ii) compliance by the Village with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Note.

We give no assurances as to the accuracy, sufficiency or completeness of any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village which have been or may hereafter be furnished or disclosed to purchasers of said Note.

Very truly yours,