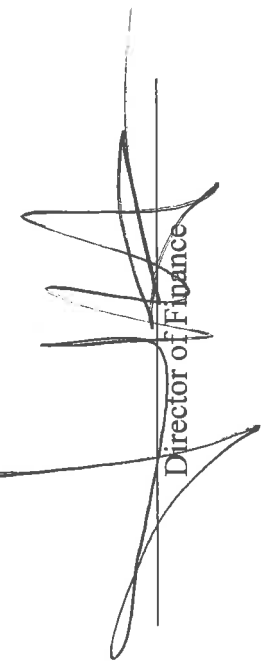


CERTIFICATE OF MEMBERSHIP

The undersigned, Finance Director of the City of Mason, County of Warren, Ohio, hereby certifies that the following were the officers and members of council during the period proceedings were taken authorizing the issuance of not to exceed \$2,000,000 Road Improvement Bond Anticipation Notes (Socialville Fosters), dated as of the date of their issuance and maturing not more than one year from the date of their issuance:

Mayor	<u>Charlene Pelfrey</u>
City Manager	<u>Scot Lahrmer</u>
Director of Finance	<u>Jennifer Heft</u>
Member of Council	<u>Tony Bradburn</u>
Member of Council	<u>Matt Kline</u>
Member of Council	<u>Todd Wurzbacher</u>
Member of Council	<u>Tom Grossmann</u>
Member of Council	_____
Member of Council	_____
Member of Council	_____
Member of Council	_____
Clerk of Council	<u>Teresa Schulte</u>
Director of Law	<u>Ken Schneider</u>


Director of Finance

TRANSCRIPT CERTIFICATE

The undersigned, Clerk of Council of said municipality, hereby certifies that the following is a true and complete transcript of all proceedings relating to the authorization and issuance of the above-identified obligations.


Clerk of Council

ORDINANCE NO. 2006-33

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF
NOT TO EXCEED \$2,000,000 OF NOTES BY THE
CITY OF MASON, OHIO, IN ANTICIPATION
OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF
IMPROVING SOCIALVILLE FOSTERS ROAD IN THE CITY.**

WHEREAS, the fiscal officer of the City has estimated the life or period of usefulness of the hereinafter described capital improvements as at least five (5) years, and certified the maximum maturity of the bonds as twenty (20) years, and of the notes to be issued in anticipation thereof as twenty (20) years;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Mason, Ohio:

SECTION 1. That it is necessary to issue bonds of the City of Mason, Ohio, in the principal amount of not to exceed \$2,000,000, for the purpose of making improvements to Socialville Fosters Road in the City. Said bonds shall be dated approximately April 1, 2007, shall bear interest at an approximate rate of six (6%) per annum, and shall mature in substantially equal annual or semiannual installments over a period not exceeding twenty (20) years after their issuance.

SECTION 2. That it is necessary to issue notes in anticipation of such bonds in the aggregate principal amount of not to exceed \$2,000,000 for the purpose aforesaid and for no other purpose.

SECTION 3. That said anticipatory notes shall be dated as of the date of their issuance and shall mature not more than one year from the date of their issuance and shall bear interest at such rate of interest as is approved by the City Manager and Finance Director, such approval to be evidenced conclusively by execution of the notes, payable at maturity.

SECTION 4. That said notes shall be executed by the City Manager and may, but shall not be required to, bear the seal of the corporation. Said notes shall be designated "Road Improvement Bond Anticipation Notes (Socialville Fosters)," shall be payable at such bank or trust company that is a correspondent of any legal depository of the City, upon approval of the Finance Director, and shall express upon their faces the purposes for which they are issued and that they are issued in pursuance of this ordinance. Said notes shall be of such number and denomination as requested by the purchaser; provided that the notes shall be issued only in Authorized Denominations, which shall be \$100,000 or any integral multiple of \$5,000 in excess of \$100,000. This Council hereby covenants that it will not exchange or reissue the notes in less than Authorized Denominations other than through a "primary offering", as that term is defined in SEC Rule 15c2-12.

SECTION 5. That said notes shall be issued in the principal sum of not to exceed \$2,000,000, for the purposes aforesaid. Said notes shall be sold to Seasongood & Mayer, LLC, Cincinnati, Ohio (the "Purchaser") at the price of par plus accrued interest, if any. The amount, interest rate or rates and other terms of the notes shall be as set forth in the purchase contract (the "Purchase Contract") which the City Manager or Finance Director is hereby authorized and directed to execute without further action of this council and which Purchase Contract shall be executed by the Purchaser. The signature of the City Manager or Finance Director on the Purchase Contract shall be conclusive evidence that the terms of the said notes are acceptable to the City.

SECTION 6. That the Mayor, the City Manager and the Finance Director, or any one of them, is authorized to take all necessary steps and execute and deliver any documents necessary or appropriate to render the notes eligible for the services of The Depository Trust Company ("DTC"), including "book-entry only" status, if so requested by the Purchaser.

SECTION 7. That said notes shall be the full general obligation of this City, and the full faith, credit and revenue of this City are hereby pledged for the prompt payment of the same. The par value received from the sale of bonds anticipated by said notes, and any excess

fund resulting from the issue of said notes, shall, to the extent necessary, be used only for the retirement of said notes at maturity, together with interest thereon and is hereby pledged for such purpose.

SECTION 8. That during the period while such notes run there shall be levied upon all of the taxable property in the City of Mason, Ohio, in addition to all other taxes, a direct tax annually, not less than that which would have been levied if bonds had been issued without the prior issue of such notes; said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof; provided, however, to the extent that other funds are available and appropriated for the payment of the obligation or the bonds in anticipation of which they are issued, said tax need not be levied.

The funds derived from said tax levy hereby required shall be placed in a separate and distinct fund and, together with interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of said notes, of the bonds in anticipation of which they are issued, when and as the same fall due.

SECTION 9. That this council, for and on behalf of the City of Mason, County of Warren, Ohio, hereby covenants that it will restrict the use of the proceeds of the notes hereby authorized in such manner and to such extent, if any, and take such other action as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. The Finance Director or any other officer having responsibility with respect to the issuance of the notes is authorized and directed to give an appropriate certificate on behalf of the City, on the date of delivery of the notes for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder.

These notes are not designated "qualified tax-exempt obligations" for the purposes set forth in Section 265(b)(3) of the Code as the Council does anticipate issuing more than \$10,000,000 of "qualified tax-exempt obligations" during the calendar year of original issuance.

SECTION 10. That the Finance Director is hereby directed to forward a certified copy of this ordinance to the County Auditor of the County of Warren, Ohio.

SECTION 11. That the Council of the City of Mason, Ohio, hereby finds and determines that all formal actions relative to the adoption of this ordinance were taken in an open meeting of the council of the City and that all deliberations of the council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

SECTION 12. That this ordinance shall take effect at the earliest date permitted by law after its passage.

PASSED: March 27, 2006.

Charles A. Pappas
Mayor

Attest:

Jessica Schultz
Clerk of Council

CERTIFICATE

The undersigned, Clerk of Council of the City of Mason, Warren County, Ohio, hereby certifies that the foregoing is a true and correct copy of Ordinance No. 2006-33 passed by the Council of the City of Mason, Ohio, on March 27, 2006.

Jessica Schultz
Clerk of Council

CERTIFICATE

The undersigned, Finance Director of the City of Mason, County of Warren, Ohio, hereby certifies that a copy of the foregoing Ordinance No. 2006-33 passed by the Council of the City of Mason, County of Warren, Ohio, on March 27, 2006, was certified this day to the County Auditor of the County of Warren, Ohio.

[Signature]
Finance Director

RECEIPT

The undersigned, County Auditor of the County of Warren, Ohio, hereby acknowledges receipt this day of the foregoing Ordinance No. 2006-33 passed by the Council of the City of Mason, County of Warren, Ohio, on March 27, 2006.

Mark Nelson
County Auditor

By: Dubbi Spang
Deputy

April 10, 2006

EXTRACT FROM MINUTES OF MEETING

The Council of the City of Mason, County of Warren, Ohio, met in regular session, at 7:00 p.m., on the 27th day of March, 2006, at 6000 Mason Montgomery Road, with the following members present: Tony Bradburn, Matt Kline, Todd Wurzbacher, Tom Grossmann and Charlene Pelfrey.

There was presented and read to Council Ordinance No. ~~2006:32~~, entitled:

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF
NOT TO EXCEED \$2,000,000 OF NOTES BY THE
CITY OF MASON, OHIO, IN ANTICIPATION
OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF
IMPROVING SOCIALVILLE FOSTERS ROAD IN THE CITY.**

Mr. Bradburn moved to suspend the rule requiring each ordinance or resolution to be read on three different days. Mr. Kline Seconded the motion and, the roll being called upon the question, the vote resulted as follows: All Yes

Mr. Wurzbacher then moved that Ordinance No. ~~2006:32~~ be adopted. Mr. Kline Seconded the motion and, the roll being called upon the question, the vote resulted as follows: All Yes

The ordinance was declared passed March 27, 2006.

CERTIFICATE

The undersigned, clerk of council of said municipality, hereby certifies that the foregoing is a true and correct extract from the minutes of a meeting of the council of said municipality, held on the 27th day of March, 2006, to the extent pertinent to consideration and adoption of the above-entitled legislation.


Clerk of Council

**CERTIFICATE AS TO MAXIMUM MATURITY OF
BONDS AND BOND ANTICIPATION NOTES**

Based upon information provided by and in response to the request of the Council of the City of Mason, County of Warren, Ohio, the Treasurer of the City of Mason, Ohio, being the fiscal officer of the City of Mason, Ohio, within the meaning of Section 133.21 of the Uniform Public Securities Law of the Ohio Revised Code, hereby certifies to the City Council that the estimated life of the improvements to be acquired with the proceeds of the sale of not to exceed \$2,000,000 of notes, for the purpose of making improvements to Socialville Fosters Road in the City and all related improvements in the City, is a least five (5) years and that the maximum maturity of said bonds is twenty (20) years and the maximum maturity of notes is twenty (20) years.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2006.

Treasurer

4 Total bonds and notes subject to 10-1/2% limitation (2 minus 3)	<u>\$ 13,040,000.00</u>
(A) Amount in sinking fund or bond retirement fund applicable to the payment of principal:	<u>\$ 335,886.90</u>
(B) Net amount subject to 10-1/2% limitation:	<u>\$ 12,704,113.10</u>
5 Bonds and notes included in item 4 above but issued WITHOUT AUTHORITY OF AN ELECTION	<u>\$ 13,040,000.00</u>
(A) Amount in sinking fund or bond retirement fund applicable to the payment of principal:	<u>\$ 335,886.90</u>
(B) Net amount subject to 5-1/2% limitation:	<u>\$ 12,704,113.10</u>
6 Bonds and notes included in items 4 and 5 above, issued during PRESENT CALENDAR YEAR WITHOUT AUTHORITY OF AN ELECTION:	<u>\$ 5,280,000.00</u>

I FURTHER CERTIFY (a) that the income from the waterworks, sewer system, off-street parking and other revenue producing facilities for which bonds were issued as included in item 3(F) above is sufficient to cover all operating expenses of such facilities and interest charges on such bonds and to provide a sufficient amount for retirement or sinking fund to retire \$ _____ principal amount of such bonds as they become due, and (B) that revenues of the municipal university or of the municipal recreational facilities, from sources other than taxation, are sufficient to pay all operating expenses of the residence halls or recreational facilities, and the principal and interest on \$ _____ principal amount of bonds included in item 3(M) above, as they become due.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29th day of March, 2006

 Jennifer Heft
 Finance Director
 Title

TEN - MILL CERTIFICATE FOR POLITICAL SUBDIVISIONS ISSUING UNVOTED GENERAL OBLIGATION BONDS AND NOTES

The undersigned, COUNTY AUDITOR of WARREN COUNTY, OHIO, hereby certifies in connection with a proposed issue of Bonds, Notes of the City of Mason of principal amount of \$ 2,000,000.00 dated 1-Apr 2006, that the tax rates required to produce the highest annual debt charges for the proposed issue and all other issues of said subdivision and the subdivisions overlapping it, which are payable from taxes subject to the 10 mill limitation of Article XII, Section 2, Ohio Constitution, based upon the facts hereinafter set forth and assuming that all levies were to be made therefor on the general tax duplicate are as follows:

Overlapping Subdivisions	Assessed Valuation	Bonds and Notes Outstanding	Present Principal Amount	Debt Charges for fiscal year in which they will total the highest, to-wit, 2007	For Principal	For Interest	Required Tax Rate for Two Previous Columns
Warren County	\$ 5,053,384,237.00	(a) Special Assessment bonds & notes in original or refunded form:	\$ 14,953,708.00	\$ 1,096,558.00	\$ 715,278.00		0.3585 MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitations:	\$ 13,301,415.00	\$ 545,744.00	\$ 231,563.00		0.1538 MILLS
Mason City or Village	\$ 987,933,647.00	(a) Special Assessment bonds & notes in original or refunded form:	\$ 497,000.00	\$ 100,000.00	\$ 34,065.00		0.1357 MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitation:	\$ 9,665,000.00	\$ 483,250.00	\$ 579,900.00		1.0761 MILLS
Mason City School District	\$ 1,379,247,849.00	Bonds & notes payable from taxes inside 10 mill limitation:	\$ -	\$ -	\$ -		- MILLS
		(a) Special Assessment bonds & notes in original or refunded form:	\$ -	\$ -	\$ -		- MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitation:	\$ -	\$ -	\$ -		- MILLS
Mason City Township (if any)	\$ -	(a) Special Assessment bonds & notes in original or refunded form:	\$ -	\$ -	\$ -		- MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitation:	\$ -	\$ -	\$ -		- MILLS
Proposed issue:			\$ 100,000.00	\$ 120,000.00	\$ -		0.2227 MILLS
TOTAL							1.9468 MILLS

Dated this 28th day of April, 2006

PECK, SHAFFER & WILLIAMS
BOND ATTORNEYS
CINCINNATI, OHIO

Mick Nelson, Warren County Auditor