

REGULAR MEETING FEBRUARY 28, 2005

The Marysville Exempted Village Board of Education met on the above date with the following members present: Roy Fraker, Michael Guthrie, Steven Ader, and William Hayes. Board member Jane McClain was absent.

ADOPT THE AGENDA

Mr. Ader moved seconded by Mr. Guthrie to approve the agenda for the regular February 28, 2005, meeting as modified.

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

JANUARY 2005 EMPLOYEE OF THE MONTH RESOLUTION

Mr. Hayes moved seconded by Mr. Ader to approve a resolution naming Lori Koontz as "Employee of the Month" for January, 2005.

Roll call: Hayes, aye; Ader, aye; Fraker, aye; Guthrie, aye. Motion carried.

APPROVAL OF MINUTES

Mr. Ader moved seconded by Mr. Guthrie to approve the minutes of the Regular January 24, 2005, meeting as presented.

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

TREASURER'S FINANCIAL REPORT

Mr. Hayes moved seconded by Mr. Guthrie to approve the following:

- ♦ January Expenditures
- ♦ January Financial Statements
- ♦ Audit/Finance Committee Report
- ♦ 5-Year Forecast Update (**Refer to 2004-05 Supplemental Minutes, Item #26, 2/28/05**)
- ♦ Permanent FY-05 Appropriations Updated and Modified (**Refer to 2004-05 Supplemental Minutes, Item #27, 2/28/05**)
- ♦ Set-Up "Creekview Student Council" Student Activity Fund (**Refer to 2004-05 Supplemental Minutes, Item #28, 2/28/05**)
- ♦ Lease-Purchase Financing of a School Building Resolution. (**Res. #5-02 follows**)

The Board of Education of the Marysville Exempted Village School District, County of Union, Ohio, met in Regular session at 7:00 p.m. on February 28, 2005, at 1000 Edgewood Drive, Marysville, Ohio, with the following members present: Roy Fraker, Steven Ader, Michael Guthrie, and William Hayes.

Absent: Jane McClain

Mr. Hayes moved the adoption of the following resolution:

RESOLUTION AUTHORIZING THE LEASE-
PURCHASE FINANCING OF A SCHOOL
BUILDING, INCLUDING A GROUND LEASE
AGREEMENT AND A LEASE AGREEMENT,
AND MATTERS RELATED THERETO.

WHEREAS, the Marysville Exempted Village School District, County of Union, Ohio (the "School District"), is in need of (i) renovations to the existing middle school, (ii) additions and renovations to the existing intermediate school, (iii) a new intermediate school, (iv) a new elementary school, and a new middle school (collectively, the "Project"); and

WHEREAS, in order to provide financing for the acquisition and construction of the Project and pursuant to Ohio Revised Code Section 3313.375 it is determined to be necessary and appropriate to undertake a lease-purchase financing program as described herein; and

WHEREAS, the cost of the Project is presently estimated not to exceed \$38,000,000 and the amount to be financed, including the cost of any municipal bond insurance, capitalized Base Rent payments, reserve fund, and other costs of issuance, shall not exceed \$44,000,000;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Marysville Exempted Village School District, County of Union, Ohio, that:

Section 1. It is hereby determined to be necessary and in the best interest of the inhabitants and citizens of the School District, and the School District hereby agrees, to acquire and construct, or cause to be acquired and constructed, the Project, in accordance with the plan of lease financing described in this Resolution. The Project shall be acquired and constructed on various parcels of land (collectively referred to as the "Site") located in the School District which are or will be owned by the School District, all as more particularly described on Exhibit A to the Ground Lease Agreement referred to herein or one or more addenda thereto.

Section 2. The School District shall sublease the Site to such entity as the Treasurer of the School District shall designate (the "Ground Lessor") pursuant to a Ground Lease Agreement (the "Ground Lease") to be dated as determined by the Treasurer, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Ground Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Ground Lease by such official. The initial term of the Ground Lease shall be until June 30, 2005, provided that the Ground Lessor or its assignee shall have the right to renew for a total of not more than thirty-one (31) additional one-year renewal terms beginning on July 1, 2005 and continuing on July 1 of each year thereafter through and including the last renewal term which shall not be later than July 1, 2035 to the earlier of June 30, 2036 or the termination date of the last permitted renewal term of the Lease (as defined below), as determined by the Treasurer. The Ground Lease shall provide for the payment, in

advance for all permitted renewal terms, of rent in the amount of One Dollar (\$1.00) per year.

Section 3. The School District shall sublease the Site and related grounds and facilities, if any, back from the Ground Lessor pursuant to a Lease Agreement (the "Lease") dated of even date with the Ground Lease, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Lease by such official. The Lease shall require the School District, as agent for the Ground Lessor or its assignee, to acquire and construct or cause to be acquired and constructed on the Site, the Project, and shall provide, among other things, for the payment of Base Rent from the School District to the Ground Lessor or its assignee. Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be determined by the Treasurer, provided that the actual Base Rent payments shall not exceed in any year the amounts that would be required if the applicable interest rate were five percent (5%) per annum applied on a principal amount of \$44,000,000. The initial term of the Lease shall be until June 30, 2005, provided that the School District shall have the right to renew for a total of not more than twenty-six (26) additional one-year renewal terms as determined by the Treasurer, beginning on July 1, 2005 and continuing on July 1 of each year thereafter through and including the last renewal term which shall not be later than July 1, 2030 to June 30, 2031. The Lease shall provide for termination in the event the School District fails to appropriate funds adequate to pay rent due with respect to any renewal term.

Section 4. The School District hereby consents to and approves the assignment of the Ground Lease and the Lease from the Ground Lessor to a such bank or trust company as the Treasurer shall designate, or its nominee, as Trustee and the execution of a Trust Indenture (the "Indenture") relating to the collection and distribution of rental payments and the issuance of Certificates of Participation (Marysville Exempted Village School District - Classroom Facilities Project) (the "Certificates") evidencing proportionate interests in the Base Rent to be paid by the School District under the Lease. The form of the Indenture and of the Certificates in substantially the forms presently on file with this Board, and the issuance of the Certificates, are hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Indenture on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Indenture by such official. The School District hereby authorizes and directs that the Certificates shall be sold to Fifth Third Securities, Inc., Columbus, Ohio, at a price not less than 98% of the par value thereof, and resold at a price or prices approved by the Treasurer. The Treasurer is authorized and directed to arrange for the purchase of municipal bond insurance in connection with issuance of the Certificates, if in the Treasurer's judgment, such insurance would result in a cost savings to the School District and any such actions heretofore taken by the Treasurer and any other officer or employee of the Board or the School District are hereby approved, ratified and confirmed. The payment of the premium and expenses relating to any such insurance policy from the proceeds of the Lease and the Certificates is hereby authorized. The determinations of

the final terms of sale of the Certificates, and the resulting Lease terms, including the interest rate, financed amount, term, capitalized Base Rent payments, and amortization schedule, together with the terms of municipal bond insurance, if any, and any other matters required by this Resolution to be determined or approved by the Treasurer, shall be set forth by the Treasurer in a certificate to be entitled the "Certificate of Award".

Section 5. The School District agrees to execute and perform the Ground Lease and the Lease in accordance with the terms thereof. The School District agrees to comply with the terms and conditions of the Indenture insofar as they relate to the School District, and further agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Treasurer, the President of the Board or the Superintendent of the School District, or any of them, in their discretion, necessary or appropriate in connection with the financing herein described.

Section 6. The Treasurer, the President of the Board and the Superintendent of the School District, or any of them, are hereby authorized and directed to execute and deliver, on behalf of the School District, such additional instruments, documents, agreements, certificates, and other papers as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution in such forms as the official executing the same may approve.

Section 7. Nothing in the Ground Lease, the Lease, the Indenture, the Certificates, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of this Board, the School District or any agency of the School District. Neither the taxing power nor the full faith and credit of this Board or the School District are pledged or shall be pledged for the payment or security of the Ground Lease, the Lease, the Indenture, the Certificates, or any other related agreement or document.

Section 8. The School District hereby covenants that it will restrict the use of the proceeds of the Lease and the Certificates hereby authorized in such manner and to such extent, if any, as may be necessary after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute "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 and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder to retain the Federal income tax exemption for interest on the Lease and the Certificates, including any expenditure requirements, investment limitations, rebate requirements or use restrictions. The Treasurer or any other officer having responsibility with respect to the issuance of the Certificates is authorized and directed to give an appropriate certificate on behalf of the School District, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and the Regulations.

Section 9. There is hereby appropriated from the net proceeds of the Certificates, to the extent the same are available for the payment of costs of the Project, a sum not to exceed \$44,000,000, to be used for the payment of such costs and related costs, as outlined herein, and funding capitalized Base Rent payments and a reserve fund for the Lease and the Certificates.

Section 10. The Treasurer, the President of the Board and the Superintendent of the School District, or any of them, are each hereby separately authorized, alone or with

others, to prepare and distribute to prospective purchasers of the Certificates and other interested parties, a preliminary official statement or offering circular with respect to the Certificates on behalf of the School District, which shall be in substantially the form presently on file with the Board, which is hereby approved, with such changes not substantially adverse to the School District as such official may approve, and which shall be deemed final for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1) except for certain information excluded therefrom in accordance with such Rule. Such officials, or any of them, are hereby authorized to prepare, execute and deliver a final official statement or offering circular with respect to the Certificates on behalf of the School District, which shall be in such form and with such changes from the preliminary official statement or offering circular as the official executing the same may approve, and which shall be deemed to be final for purposes of Securities and Exchange Commission Rule 15c2-12(b)(3). Execution or delivery thereof on behalf of the School District by such official shall be conclusive evidence of such authorization and approval and that any such changes are not substantially adverse to the School District, and copies thereof are hereby authorized to be prepared and furnished to the purchaser of the Certificates for distribution to prospective purchasers of the Certificates and other interested persons.

The School District hereby covenants and agrees that it will execute, comply with and carry out all of the provisions of a continuing disclosure certificate dated the date of issuance and delivery of the Certificates (the "Continuing Disclosure Certificate") in connection with the issuance of the Certificates. Failure to comply with any such provisions of the Continuing Disclosure Certificate shall not constitute a default on the Certificates; however, any holder of the Certificates may take such action as may be necessary and appropriate, including seeking specific performance, to cause the School District to comply with its obligations under this paragraph and the Continuing Disclosure Certificate.

Section 11. That the Treasurer, the President of the Board and the Superintendent of the School District, or any of them, are each hereby separately authorized, alone or with others to apply for a rating from one or more national rating services with respect to the Lease and the Certificates, and any such actions heretofore taken are hereby approved, ratified and confirmed. The payment of the fees and expenses relating to any such ratings from the proceeds of the Lease and the Certificates is hereby authorized.

Section 12. The law firm of Peck, Shaffer & Williams LLP be and is hereby retained as special counsel to the School District to prepare the necessary authorization and related closing documents for the issuance, sale and delivery of the Ground Lease, the Lease, the Indenture, the Certificates and, if appropriate, rendering its approving legal opinion in connection therewith in accordance with the written agreement presently on file with the School District which the President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver on behalf of the School District, with such changes thereto not substantially adverse to the School District as may be approved by such officers. The approval of such changes by such officers, and that the same are not substantially adverse to the School District, shall be conclusively evidenced by the execution of such agreement by such officers. Such law firm shall be compensated by the School District for the above services in accordance with such written agreement.

Section 13. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its

committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 14. This Resolution shall take effect immediately upon its adoption.

Mr. Guthrie seconded the motion, and the roll being called upon the question of adoption of the resolution, the vote resulted as follows:

Ayes: 4

Nays: 0

ADOPTED this 28th day of February, 2005.

Treasurer

CERTIFICATE

The undersigned hereby certifies that the text of the foregoing resolution is taken and copied from the record of proceedings of a meeting of said board of education held on February 28, 2005. The undersigned further certifies that the same has been compared by me with said record and it is a true and correct copy thereof, together with a true and correct copy of excerpts from the minutes of said meeting to the extent pertinent to the consideration and adoption of said resolution.

Treasurer

- ♦ School Improvement Refunding Bonds Resolution. (**Res. #5-03 follows**)

CERTIFICATE OF MEMBERSHIP

The undersigned, Treasurer of the Board of Education, of the Marysville Exempted Village School District, County of Union, Ohio, hereby certifies that the following were the officers and members of the Board of Education during the period proceedings were taken authorizing the issuance of not to exceed \$12,350,000 School Improvement Refunding Bonds:

PRESIDENT	<u>Roy Fraker</u>
MEMBER	<u>Steven Ader</u>
MEMBER	<u>Michael Guthrie</u>
MEMBER	<u>William Hayes</u>
MEMBER	_____
TREASURER	<u>Dolores M. Cramer</u>

Treasurer

CERTIFICATE

The undersigned, Treasurer of said Board of Education, hereby certifies that the following constitutes a true and complete transcript of the proceedings authorizing the issuance of the above-identified obligations.

Treasurer

The Board of Education of the Marysville Exempted Village School District, County of Union, Ohio, met in Regular session at 7:00 p.m. on the 28th day of February, 2005, at 1000 Edgewood Drive, Marysville, Ohio, with the following members present: Roy Fraker, Steven Ader, Michael Guthrie, and William Hayes

Mr. Hayes introduced the following resolution and moved its adoption:

MARYSVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

RESOLUTION NO. #5-03

A RESOLUTION PROVIDING
FOR THE ISSUANCE OF NOT TO
EXCEED \$12,350,000 SCHOOL
IMPROVEMENT REFUNDING
BONDS

WHEREAS, the Marysville Exempted Village School District (the "District") issued \$13,699,995.45 School Improvement Bonds (the "Original Bonds") consisting of current interest bonds dated December 1, 2000 and capital appreciation bonds dated December 21, 2000 for the purpose of refunding outstanding general obligation bond anticipation notes originally issued for the purpose of constructing, reconstructing, and renovating school buildings, acquiring and installing equipment and furnishings and land acquisition, together with all the necessary appurtenances thereto (the "Project") by virtue of a requisite majority vote of the electors of said school district voting upon the proposition at an election held August 8, 2000 and a resolution adopted by this Board of Education on November 29, 2000; and

WHEREAS, \$13,559,995.45 principal amount of said Original Bonds remains outstanding; and

WHEREAS, it is in the best interest of the District to advance refund a portion of those Original Bonds currently outstanding, pursuant to and as permitted by Section 133.34 of the Ohio Revised Code, in order to reduce net debt service charges payable by the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Marysville Exempted Village School District, County of Union, Ohio:

SECTION 1. That it is necessary to issue bonds of the District in a principal amount of not to exceed \$12,350,000 consisting of Current Interest Bonds (the "Current Interest Bonds") as to which interest is payable on each Interest Payment Date (as defined herein) and, if included in the bond purchase agreement to be executed by the Treasurer (the "Bond Purchase Agreement"), Capital Appreciation Bonds (the "Capital Appreciation Bonds") as to which interest is (a) compounded semiannually on the dates (each an "Interest Accretion Date") established as such in the Bond Purchase Agreement and (b) payable only at maturity in such respective principal amounts as shall be set forth in the Bond Purchase Agreement to advance refund certain Original Bonds consisting of bonds identified in the Bond Purchase Agreement (the "Refunded Bonds") and to pay costs of issuance of the Bonds and costs related to the refunding of the Refunded Bonds. Those Refunded Bonds subject to optional call shall be and hereby are ordered called for optional redemption according to their terms on the first optional redemption date following the issuance of the original Bonds (December 1, 2010).

SECTION 2. That the Bonds shall be issued in such principal amount for the purpose aforesaid. The Current Interest Bonds shall be dated February 1 or such other date stated in the Bond Purchase Agreement, numbered from R-1 upwards in order of issuance, of the denominations of \$5,000 or any integral multiple thereof. Any Capital Appreciation Bonds shall be dated the date of closing of the Bonds, shall be in the aggregate principal amount as set forth in the Bond Purchase Agreement and shall be numbered from CAB-1 upwards in order of issuance, of the denominations equal to the principal amounts that, when interest is accrued and compounded thereon from their respective dates on each Interest Accretion Date, will equal a \$5,000 Maturity Amount (which means, with respect to a Capital Appreciation Bond, the principal and interest due and payable at the stated maturity of this Capital Appreciation Bond) and any integral multiples thereof. Each Bond shall be of a single maturity, and shall bear interest at rates per annum indicated in the Bond Purchase Agreement, which the Treasurer is hereby authorized to sign. Interest shall be payable on the Current Interest Bonds on the first day of June and the first day of December of each year commencing December 1, 2005, or as designated in the Bond Purchase Agreement, (the "Interest Payment Date"), until the principal sum is paid. The Bonds shall mature on December 1 in each year and in such amounts as designated in the Bond Purchase Agreement. It is determined by the Board of Education that the issuance of the Bonds in one lot as provided herein is necessary and will be in the best interest of the Board of Education. The last maturity of the Bonds shall not be later than the year of last maturity permitted by law for the Original Bonds

The total interest on each Capital Appreciation Bond as of any date shall be an amount equal to the difference between the Compound Accreted Amount of such Capital Appreciation Bond as of such date and the principal amount of such Capital Appreciation Bond. "Compound Accreted Amount" means with respect to any Capital Appreciation Bond, the principal amount thereof plus interest accrued and compounded on each Interest Accretion Date to the date of maturity or other date of determination, as set forth in the Exhibit to the Bond Purchase Agreement as of any Interest Accretion

Date of the respective Capital Appreciation Bonds, and as determined in accordance with this section as of any other date.

The Compound Accreted Amount of the Capital Appreciation Bonds of each maturity as of each Interest Accretion Date shall be set forth in the Exhibit to the Bond Purchase Agreement. The Compound Accreted Amount of any Capital Appreciation Bond for each maturity as of any other date shall be (a) the Compound Accreted Amount for such Capital Appreciation Bond on the immediately preceding Interest Accretion Date plus (b) the product of (i) the difference between (A) the Compound Accreted Amount of that Capital Appreciation Bond on the immediately preceding Interest Accretion Date and (B) the Compound Accreted Amount of that Capital Appreciation Bond on the immediately succeeding Interest Accretion Date, times (ii) the ratio of (C) the number of days from the immediately preceding Interest Accretion Date to (but not including) the date of determination (determined on the basis of a 360-day year comprised of twelve 30-day months) to (D) the number of days from that immediately preceding Interest Accretion Date to (but not including) the immediately succeeding Interest Accretion Date (determined on the basis of a 360-day year comprised of twelve 30-day months); provided, however, that in determining the Compound Accreted Amount of a Capital Appreciation Bond as of a date prior to the first Interest Accretion Date, the closing date of the Bonds shall be deemed to be immediately preceding the Interest Accretion Date and the original principal amount of that Capital Appreciation Bond shall be deemed to be the Compound Accreted Amount on the closing date of the Bond issue.

The Bonds shall be initially issued only to a securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of beneficial interests in Bonds, and to effect transfers of beneficial interests in Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company) Armonk, New York (“Depository”) for use in a form or system under which the physical Bond certificates in fully registered form are issued only to a Depository or its nominee as registered owner, with the certificated Bonds held and “immobilized” in the custody of the Depository, and the book entry system, maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Board of Education, is the record that identifies, and records the transfers of the beneficial interests of the owners of the Bonds (the “Book Entry System” or “Book Entry Form”) and: (i) those Bonds shall be registered in the name of the Depository or its nominee as registered owner, and immobilized in the custody of the Depository; and (ii) those Bonds shall be transferable or exchangeable in accordance with this resolution, provided that so long as a Book Entry System is used for the Bonds, the Bonds may only be transferred to another Depository or to another nominee of a Depository without further action by the Board of Education pursuant to this section. The Board of Education may, and may require the paying agent and registrar as identified in the Bond Purchase Agreement (the “Paying Agent and Registrar”) to transfer the Bonds from one Depository to another Depository at any time.

Notwithstanding any other provision of this Resolution or any Bond to the contrary, with the approval of the Board of Education, the Paying Agent and Registrar may enter into an agreement with a Depository, or the nominee of a Depository, that is the registered owner of a Bond in the custody of that Depository providing for making all payments to that registered owner of principal of and interest and any premium on that Bond or any portion of that Bond (other than any payment of its entire unpaid principal amount) at a place and in a manner (including wire transfer of federal funds) other than as

provided above in this Resolution, without prior presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the Paying Agent and Registrar and the Board of Education. That payment in any event shall be made to the person who is the registered owner of that Bond on the date that principal and premium is due, or, with respect to the payment of interest, as of the applicable Interest Payment Date or other date agreed upon, as the case may be. The Paying Agent and Registrar will furnish a copy of each of those agreements, certified to be correct by an officer of the Paying Agent and Registrar to the Board of Education. Any payment of principal, premium or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Resolution.

If any Depository determines not to continue to act as a Depository for the Bonds in a Book Entry System, the Board of Education may attempt to have established a securities depository/Book Entry System relationship with another qualified Depository under this Resolution. If the Board of Education does not or is unable to do so, the Board of Education and the Paying Agent and Registrar, after the Paying Agent and Registrar has made provision for notification of the beneficial owners by appropriate notice to the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form, in denominations of \$5,000 or integral multiples thereof, to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing, and delivering, replacement Bonds) of those persons requesting that authentication and delivery, unless Board of Education action or inaction shall have been the cause of the termination of the Book Entry System, in which event such cost and expense shall be borne by the Board of Education.

SECTION 3. That the Current Interest Bonds maturing on December 1, 2015 and thereafter shall be subject to optional redemption prior to maturity, on or after December 1, 2014, in whole or in part at any time at a redemption price of 100% of the par value thereof, plus accrued interest.

SECTION 4. That the Current Interest Bonds maturing on December 1, in the years, if any, designated in the Bond Purchase Agreement, may be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed plus accrued interest to the date of redemption on December 1 in the years and in the respective principal amounts as set forth in the Bond Purchase Agreement.

SECTION 5. That the Bonds shall express upon their faces the purpose for which they are issued and that they are issued in pursuance of this Resolution. The Bonds shall be in fully registered form and shall bear the signatures of the President and Treasurer of the Board of Education, provided that either or both of such signatures may be facsimile signatures, and shall bear the manual authenticating signature of an authorized officer of the Paying Agent and Registrar for the Bonds. The principal amount of each Current Interest Bond shall be payable at the principal office of the Paying Agent and Registrar and interest thereon shall be mailed on each interest payment date to the person whose name appears on the record date (May 15 and November 15 for June 1 and December 1 interest, respectively) on the Bond registration records as the registered holder thereof, by check or draft mailed to such registered holder at his address as it appears on such registration records.

Subject to the use of a Book Entry System, the Bonds shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The Board of Education and the Paying Agent and Registrar shall not be required to transfer any Bond during the 15-day period preceding any interest payment date, and no such transfer shall be effective until entered upon the registration records maintained by the Paying agent and Registrar. Upon such transfer, a new Bond of Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefore.

The Board of Education and the Paying Agent and Registrar may deem and treat the registered holders of the Bonds as the absolute owners thereof for all purposes, and neither the Board of Education nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The Treasurer may execute the letter of representations with the Depository and the Paying Agent and Registrar Agreement in connection with the issuance of the Bonds.

SECTION 6. That the Bonds shall be sold in the aggregate to Fifth Third Securities, Inc., Columbus, Ohio (the "Underwriter") at not less than ninety-seven percent (97%) of their principal amount and accrued interest, in accordance with the Bond Purchase Agreement to be executed by the Treasurer, and the proceeds from such sale, except any premium or accrued interest thereon, shall be used for the purpose aforesaid and for no other purpose, which shall include payment of the outstanding principal amount of and any redemption premium on the Refunded Bonds and may include any expenses relating to the refunding of the Refunded Bonds or the issuance of the Bonds, and for which purpose said proceeds are hereby appropriated. Any premium and accrued interest shall be transferred to the bond retirement fund to be applied to the payment of principal and interest of the Bonds in the manner provided by law.

SECTION 7. That there is hereby created an Escrow Fund (the "Escrow Fund") to be held by the bank designated as Escrow Trustee (the "Escrow Trustee") pursuant to an Escrow Agreement (the "Escrow Agreement") signed by the Treasurer and the Escrow Trustee. The Treasurer is hereby authorized to execute and deliver the Escrow Agreement with the Escrow Trustee for the refunding defeasance of the Refunded Bonds in such form as the Treasurer may approve, the execution thereof by the Treasurer to be conclusive of such authorization and approval. Proceeds of the Bonds in the amount determined necessary shall be deposited in the Escrow Fund and invested in direct obligations of, or obligations guaranteed as to payment by, the United States to retire the Refunded Bonds pursuant to the terms of the Escrow Agreement. An independent public accounting firm or nationally recognized bond counsel shall be retained as verification agent to determine the sufficiency of the Escrow Fund deposit and interest earnings thereon for the payment of debt charges on the Refunded Bonds.

SECTION 8. That the Bonds shall be the full general obligations of the Board of Education and the full faith, credit and revenue of the Board of Education are hereby pledged for the prompt payment of the same. Any excess fund resulting from the issuance of the Bonds, shall to the extent necessary be used only for the retirement of the Bonds at maturity, together with interest thereon and is hereby pledged for such purpose.

SECTION 9. That during the period which the Bonds run, there shall be levied upon all of the taxable property in the Board of Education, in addition to all other taxes, a direct tax annually within the limitations of Section 2 of Article XII of the Constitution of Ohio, in an amount sufficient to pay the principal of and interest on the Bonds when and as the same fall due. 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.

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 the Bonds, when and as the same fall due.

SECTION 10. That this Board of Education hereby covenants that it will restrict the use of the proceeds of the Bonds hereby authorized in such manner and to such extent, if any, and take such other actions 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, and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder in order to retain the Federal income tax exemption for interest on the Bonds. The Treasurer or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed to give an appropriate certificate on behalf of the Board of Education on the date of delivery of the Bonds 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 the Code and the regulations thereunder.

SECTION 11. That the Treasurer is hereby directed to forward a certified copy of this Resolution to the County Auditor.

SECTION 12. That it is hereby determined and recited that all acts, conditions and things necessary to be done precedent to and in the issuing of the Bonds in order to make the same legal, valid and binding obligations of the Board of Education have happened, been done and performed in regular and due form as required by law; and that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of said Bonds.

SECTION 13. That the law firm of Peck, Shaffer & Williams LLP be and is hereby retained as bond counsel to the Board of Education to prepare the necessary authorization and related closing documents for the issuance, sale and delivery of the Bonds and, if appropriate, rendering its approving legal opinion in connection therewith in accordance with the written agreement presently on file with the Board of Education, which the Treasurer is each hereby authorized to execute and deliver on behalf of the Board of Education, with such changes thereto not substantially adverse to the Board of Education as may be approved by the Treasurer. The approval of such changes by the Treasurer, and that the same are not substantially adverse to the Board of Education, shall be conclusively evidenced by the execution of such agreement by the Treasurer. Such law

firm shall be compensated by the Board of Education for the above services in accordance with such written agreement, but solely from the proceeds of the Bonds.

SECTION 14. That this Board of Education hereby authorizes the Treasurer to prepare, correct, revise, execute together with the President and deliver, on behalf of the Board of Education, to appropriate persons, preliminary and final drafts of a Preliminary Official Statement deemed final for purposes of Securities and Exchange Commission Rule 15c2-12 and an Official Statement relative to the sale of the Bonds and copies thereof are hereby authorized to be furnished to the Underwriter for distribution to prospective purchasers of the Bonds and other interested persons.

SECTION 15. That this Board of Education hereby authorizes the Treasurer to take all steps necessary to obtain one or more municipal bond ratings and a policy of municipal bond insurance for the Bonds. The Board of Education hereby agrees to and shall be bound by all terms and conditions of said policy (and the commitment issued therefore) if purchased by the Board of Education pursuant to the recommendation of the Underwriter.

SECTION 16. That this Board of Education hereby covenants and agrees that it will execute, comply with and carry out all of the provisions of a continuing disclosure certificate dated the date of issuance and delivery of the Bonds (the "Continuing Disclosure Certificate") in connection with the issuance of the Bonds. Failure to comply with any such provisions of the Continuing Disclosure Certificate shall not constitute a default on the Bonds; however, any holder of the Bonds may take such action as may be necessary and appropriate, including seeking specific performance, to cause this Board of Education to comply with its obligations under this section and the Continuing Disclosure Certificate.

SECTION 17. That it is found and determined that all formal actions of this Board of Education concerning and relating to the adoption of this Resolution were taken in open meetings of this Board of Education, and that all deliberations of this Board of Education and of any of its committees that resulted in such formal action, were taken in meetings open to the public, in compliance with the law.

SECTION 18. That this Resolution shall take effect immediately upon its adoption.

Mr. Guthrie seconded the motion and the roll being called upon the question of adoption of the resolution, the vote resulted as follows:

AYE: 4

NAY: 0

ADOPTED this 28th day of February, 2005.

Treasurer

LEAVE OF ABSENCE

Mr. Ader moved seconded by Mr. Guthrie to approve an unpaid leave of absence.

Approval of an unpaid leave of absence extending beyond her accumulated sick leave to Billie Joe Humble, anticipated effective dates of November 10, 2004, through March 1, 2005.

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

STAFF RESIGNATIONS

Mr. Guthrie moved seconded by Mr. Ader to accept the following staff resignations.

- (a): Approval to accept the retirement resignation of Roger Wade, as teacher, effective May 31, 2005.
- (b): Approval to accept the retirement resignation of Janet Stackhouse, as teacher, effective at the end of the 2004-05 school year.
- (c): Approval to accept the resignation of Barbara Rea, as teacher, effective at the end of the 2004-05 school year.
- (d): Approval to accept the resignation of Kelly Gallmeyer, as teacher, effective at the end of the 2004-05 school year.

Roll call: Guthrie, aye; Ader, aye; Fraker, aye; Hayes, aye. Motion carried.

AMENDMENT TO STAFF RESIGNATION

Mr. Guthrie moved seconded by Mr. Ader to amend the effective resignation date of Teri Heard, as Health Consultant, from January 5, 2005, to January 6, 2005.

Roll call: Guthrie, aye; Ader, aye; Fraker, aye; Hayes, aye. Motion carried.

EMPLOY CERTIFICATED STAFF

Mr. Ader moved seconded by Mr. Guthrie to approve the following personnel to be employed to work on curriculum after July 1, 2005, as certificated staff support.

Paul McCartney	48 days
Patricia Biehl	18 days
Jeffrey Cody	30 days

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

EMPLOYMENT OF DISTRICT STAFF

Mr. Hayes moved seconded by Mr. Ader to employ the following candidates. Employment is expressly conditioned upon receipt of the employee's BCI report and will

be immediately terminated without resort to Ohio Revised Code Section 3319.16 should such report indicate a prohibited conviction.

- (a): Approval to employ Christopher Gordon as bus driver under a one-year limited contract, effective February 22, 2005.
- (b): Approval to employ Meredith Mundell as School Psychologist, on a one-year administrator contract, effective August 1, 2005.

Roll call: Hayes, aye; Ader, aye; Fraker, aye; Guthrie, aye. Motion carried.

EMPLOYMENT OF DISTRICT SUBSTITUTES/HOME INSTRUCTORS

Mr. Guthrie moved seconded by Mr. Hayes to employ the candidates listed below as substitutes/home instructors during the 2004-05 school year, on a need basis. Employment is expressly conditioned upon receipt of the employee's BCI report and will be immediately terminated without resort to Ohio Revised Code Section 3319.16 should such report indicate a prohibited conviction.

<u>Teacher:</u>	Jessica Anderson	Elizabeth Jutte	John Koke
	Eric Rausch	Luke Streng	Mary Ellen Waitkus
	Jackie Underwood		

<u>Home Instructors:</u>	Christian Barnett	Holli DeWitt
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<u>Classified:</u>	Ruby Anderson	Teri Heard	Sherri Shope
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Roll call: Guthrie, aye; Hayes, aye; Fraker, aye; Ader, aye. Motion carried.

SUPPLEMENTAL CONTRACT RESIGNATIONS

Mr. Ader moved seconded by Mr. Guthrie to accept the following supplemental contract resignations.

- (a): Approval to accept the supplemental contract resignation of Ken Parrish, from his position as Middle School baseball coach, effective with the 2004-05 school year.
- (b): Approval to accept the supplemental contract resignation of Craig Haese, from his position as Middle School baseball coach, effective with the 2004-05 school year.

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

AWARD SUPPLEMENTAL CONTRACTS

Mr. Guthrie moved seconded by Mr. Hayes to employ the following certificated and non-certificated individuals in supplemental positions for the 2004-05 and 2005-06 school years, on an as-needed basis.

Each recommendation is being made in accordance with Section 3315.53 of the Ohio Revised Code and Chapter 3301-27 of the Ohio Administrative Code.

Employment is expressly conditioned upon receipt of the employee's BCI report and will be immediately terminated without resort to Ohio Revised Code Section 3319.16 should such report indicate a prohibited conviction. Employment is also contingent upon completion of CPR training and Sports Medicine as required by the State of Ohio.

	<u>Staff</u>	<u>Position</u>
<u>2004-05</u>	Joe Spaulding Adam McCampbell Sonny Green	MS Baseball MS Baseball MS Baseball
<u>2005-06</u>	Leslie Boey	HS Head Volleyball Coach

Roll call: Guthrie, aye; Hayes, aye; Fraker, aye; Ader, aye. Motion carried.

DISTRICT VOLUNTEERS

Mr. Ader moved seconded by Mr. Guthrie to recognize the following as volunteers for the 2004-05 school year. We recognize volunteers so they can be covered under our liability insurance.

Lori Boyer	HS Softball
Bob Luzenski	HS Softball
Tara Gilbert	MS Softball

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

CURRICULUM

Mr. Ader moved seconded by Mr. Guthrie to adopt as student textbook for High School Geometry course: UCSMP Geometry, copyright 2002 (latest edition), Prentice Hall, Inc., ISBN 0-13-058417-7, student edition \$58.47 each.

Roll call: Ader, aye; Guthrie, aye; Fraker, aye; Hayes, aye. Motion carried.

EDGEWOOD

Mr. Hayes moved seconded by Mr. Guthrie to approve the following Edgewood Elementary fundraisers.

- (a) United Way "Caring Hearts"
- (b) PTO "Big Yummy Gourmet Cookie Dough & Frozen Foods"
- (c) American Heart Association "Jump Rope for Heart"

Roll call: Hayes, aye; Guthrie, aye; Fraker, aye; Ader, aye. Motion carried.

CREEKVIEW

Mr. Guthrie moved seconded by Mr. Ader to approve the 5th/6th grade choirs to participate in a Nestles Company chocolate bunny fundraiser.

Roll call: Guthrie, aye; Ader, aye; Fraker, aye; Hayes, aye. Motion carried.

HIGH SCHOOL

Mr. Hayes moved seconded by Mr. Guthrie to approve the MHS Mock Trial teams to take an overnight trip to attend a state competition in Columbus, Ohio, on March 11 and 12, 2005.

Roll call: Hayes, aye; Guthrie, aye; Fraker, aye; Ader, aye. Motion carried.

ADJOURNMENT

Mr. Guthrie moved seconded by Mr. Ader to adjourn at 8:27 p.m.

Roll call: Guthrie, aye; Ader, aye; Fraker, aye; Hayes, aye. Motion carried.