

NOTICE OF BOND SALE

\$1,190,000

**CITY OF GENEVA
ONTARIO COUNTY, NEW YORK**

PUBLIC IMPROVEMENT (SERIAL) BONDS, 2011

(BOOK ENTRY ONLY) (BANK QUALIFIED)

SEALED PROPOSALS will be received by Edward A. George, Comptroller of the City of Geneva, Ontario County, New York (the "City") at the offices of Municipal Solutions Inc., 2528 State Route 21, Canandaigua, New York 14424 (telephone number: (585) 394-4090; facsimile number: (585) 394-4092) at 11:30 o'clock a.m. (Prevailing Time) on **Tuesday, April 26, 2011** at which time they will be publicly opened and announced, for the purchase in Federal Funds of the following issue of Public Improvement (Serial) Bonds, 2011 of the City (the "Bonds"), dated May 15, 2011, bearing interest from the date of the Bonds, payable May 15, 2012, November 15, 2012 and semiannually thereafter on May 15 and November 15. Such interest will be payable to the registered owners of the Bonds as shown on the registration books of the City as of the close of business on the Record Date, being the last business day of the calendar month preceding each interest payment date. The Bonds will be payable in annual installments on May 15, in the following years and amounts:

MATURITIES

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
2012	\$85,000	2019	\$85,000
2013	85,000	2020	85,000
2014	85,000	2021	85,000
2015	85,000	2022	85,000
2016	85,000	2023	85,000
2017	85,000	2024	85,000
2018	85,000	2025	85,000

The Bonds will be issued pursuant to the Constitution and statutes of the State of New York, including, among others, the City Law and the Local Finance Law, for the purpose of financing the cost of (i) the reconstruction and replacement of sewer lines (including sanitary and surface drainage) on Route 14 North/Exchange Street, from Lake Street heading north on Route 14 North/Exchange Street to the City's border (\$980,000); and (ii) the reconstruction and rehabilitation of various sewer lines throughout the City to include cleaning and televising sewer lines, trenchless sewer rehabilitation (slip lining) of mains, grouting of laterals and coating of manholes (\$210,000).

The Bonds maturing on or before May 15, 2019 shall not be subject to redemption prior to maturity. The Bonds maturing on or after May 15, 2020 shall be subject to redemption prior to maturity at the option of the City on or after May 15, 2019 and on any date thereafter, in whole or in part, and if in part, in any order, of their maturity and in any amount within a maturity at par (100%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by lot in any customary manner of selection as determined by the Comptroller of the City. Notice of such call for redemption shall be given by mailing such notice to the registered holder not more than sixty (60) days nor less than twenty (20) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable together with interest to such redemption date. Interest shall cease to be paid thereon after such redemption date.

The Bonds will be issued in registered form by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC") and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any integral multiple thereof for any single maturity, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., its nominee. Principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the City determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry system with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will deliver replacement Bonds in the form of fully registered certificates.

THE CITY RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF THE BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER TM3.

The Bonds shall be designated or deemed designated as "qualified tax exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Each bid must be for all of said \$1,190,000 in Bonds and may state different rates of interest for Bonds maturing in different calendar years; provided, however, that (i) only one rate of interest may be bid for all Bonds maturing in any one calendar year, (ii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to Bonds maturing in any prior calendar year and (iii) all rates of interest bid must be stated in a multiple of one-eighth of one percentum or one-hundredth of one percentum per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase said Bonds at such rate or rates of interest which will produce the least interest cost computed in accordance with the net interest cost method of calculation, that being the rate or rates of interest which will produce the least interest cost over the life of the Bonds, after accounting for the premium offered, if any. If two or more such bidders offer to purchase the Bonds at the same net interest cost, computed as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Bond Sale will be rejected.

Each bid must be enclosed in a sealed envelope and should be marked on the outside "Proposal for \$1,190,000 City Bonds" and addressed as follows: Edward A. George, Comptroller of the City of Geneva c/o Municipal Solutions Inc., 2528 State Route 21, Canandaigua, New York 14424. Each bidder must, as a condition precedent to the consideration of its bid, deposit with its bid a certified or cashiers check or a wire transfer in the amount of \$23,800, as a good faith deposit to secure the City against loss resulting from the failure of the bidder to comply with the terms of its bid. If a check is used, it must be drawn upon an incorporated bank or trust company located in the State, payable to the order of "City of Geneva, Geneva, New York" and be enclosed with the bid. The check deposited by the bidder to whom the Bonds are awarded will be retained by the City and the amount thereof shall be applied as provided by law. No interest will be allowed upon the amount of the deposit made by the successful bidder. The purchaser must pay accrued interest from the date of Bonds to the date of delivery thereof. If a wire transfer is used, it must be sent to the account so designated by the City for such purpose, not later than 3:30 p.m. on the next business day following the award and the wire reference number must be provided on the "Proposal for Bonds" when the bid is submitted. Bidders must contact Municipal Solutions Inc., 2528 State Route 21, Canandaigua, New York 14424 (tel: (585) 305-4090) no later than 24 hours prior to the sale date to obtain the City's wire instructions.

When the successful bidder has been ascertained, all such deposits will be promptly returned to the persons making them, except the check or wire transfer of the successful bidder. Award of the Bonds to the successful bidder, or rejection of all bids, is expected to be made promptly after opening of the bids, but such successful bidder may not withdraw his proposal until after 2:00 p.m., New York time, of the day of such bid opening and then only if such award has not been made prior to the withdrawal. The successful bidder will be promptly notified of the award to him, and if he refuses or neglects to pay the agreed price of the Bonds less the amount deposited by him, the amount deposited by him shall be forfeited to and retained by the City as liquidated damages for such neglect or refusal.

The Bonds will be executed and delivered in escrow to DTC, not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the CUSIP numbers at such time. The closing will be held on or about May 19, 2011, at such place in Rochester, New York or New York, New York and on such business day and at such hour as the Sale Officer shall affix on three business days' notice to the successful bidder, or at such other place and time as may be agreed upon with the successful bidder on or against receipt of Federal Funds, in an amount equal to the par amount of such Bonds, plus the premium, if any, including accrued interest from the date of such Bonds to the date of delivery, less the amount of the deposit submitted with the bid.

As a condition of the purchasers obligation to accept delivery of and pay for the Bonds, the City will furnish without cost to the purchaser the following, dated as of the date of delivery and payment for the Bonds: (1) a closing certificate constituting receipt of the Bond proceeds, (2) a certificate signed by the officers who signed the Bonds, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Bonds or the levy or collection of taxes to pay the Bonds or the interest thereon, or questioning the validity of the statutes or the proceedings under which the Bonds are issued, and that neither the corporate existence or boundaries of the City, nor the title of any of the said officers to their respective offices, is being contested and that no authority or proceedings for the issuance of the Bonds has been revoked, (3) a certificate of the

Comptroller of the City certifying that (a) as of the date of the Official Statement furnished by the City in relation to the Bonds (which Official Statement is deemed by the City to be final for purposes of Securities and Exchange Commission Rule 15c2-12, except for the omission therefrom of those items allocable under said Rule), the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the City is not guaranteed as to the accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of the Official Statement and since the date of the sale of the Bonds, the City has engaged in no material transactions not in the ordinary course of affairs of the City and no material adverse change in the general affairs of the City or in its financial condition as shown in the Official Statement has occurred other than as disclosed in or contemplated by the Official Statement; (4) a tax and arbitrage certificate executed on behalf of the City which includes, among other things, covenants relating to compliance with the Code, with the owners of the Bonds that the City will, among other things (A) take all actions on its part necessary to cause interest on the Bonds not to be includable in 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 Bonds 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 Bonds to be includable in gross income of the owners thereof for Federal income tax purposes; and (5) the unqualified opinion as to the validity of the Bonds of Harris Beach PLLC, Rochester, New York, Bond Counsel. Reference is hereby made to the Official Statement relating to the Bonds for a description of the scope of the Bond Counsel's engagement in relation to the issuance of the Bonds and the matters covered by such legal opinion. Furthermore, reference should be made to the information under the subheading "LEGAL MATTERS" in the Official Statement.

A preliminary Official Statement has been prepared and disseminated by the City. The preliminary Official Statement is deemed to be a "final official statement", as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("SEC"), but is subject to (a) completion with certain price and other information to be made available by the successful bidder for the Bonds and (b) amendment. The preliminary Official Statement, as so revised, will constitute the "final Official Statement". By the submission of a bid for the Bonds, the successful bidder contracts for the receipt of a reasonable number of copies of the final Official Statement within seven business days of the award of the Bonds. In order to complete the final Official Statement, the successful bidder must furnish on behalf of the underwriters of the Bonds the following information to Bond Counsel and the City by facsimile transmission or overnight delivery received by Bond Counsel and the City within 24 hours after the award of the Bonds: (a) initial offering prices or yields (expressed as percentages), (b) selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars), (c) the identity of the underwriters if the successful bidder is part of a group or syndicate and (d) any other material information necessary for the final Official Statement, but not known to the City (such as the bidders purchase of credit enhancement). The City shall not be responsible or liable in any manner for the successful bidders determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder or failure to furnish such Official Statements as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of such final Official Statement shall be conclusive evidence of the satisfactory completion of the obligations of said City with respect to the preparation and delivery thereof.

In accordance with the requirements of SEC Rule 15c2-12, the City shall provide on the date of delivery of the Bonds a written undertaking to provide the annual financial information and operating data and notices of the occurrence of certain material events, all as described in the Official Statement under the heading "CONTINUING DISCLOSURE UNDERTAKING-BONDS".

The Bonds are general obligations of the City. There is no constitutional or legal limitation, either as to the rate or amount, on ad valorem taxes upon taxable real property in the City which may be required to pay the Bonds and the interest thereon. The State Constitution requires the City to pledge its faith and credit for the payment of such interest and the redemption of the Bonds. The State Constitution also provides that if at any time the City fails to make the required appropriations for annual debt service on the Bonds and certain other obligations of the City, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the City may be required to set apart and apply such revenues as aforesaid at the suit of any holder of the Bonds.

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the successful bidder to obtain CUSIP numbers for the Bonds prior to delivery and the City will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of the successful bidder to obtain such numbers and supply them to the City in a timely manner. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the purchaser.

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of insurance of the bids resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute

cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with the terms of its proposal.

In the event that prior to the delivery of the Bonds, the income received by private holders from bonds of the same type and character shall be includable in gross income for Federal income tax purposes, the successful bidder may at his election, be relieved of his obligations under the contract to purchase the Bonds, and in such case, the deposit accompanying his bid will be returned.

The successful bidder will be required to provide the City prior to the delivery of the Bonds certain information regarding the reoffering price to the public of each maturity of the Bonds. The successful bidder shall furnish to the City a certificate acceptable to Bond Counsel, dated as of the date of the delivery of and payment for the Bonds, stating the initial prices at which a bona fide public offering of all Bonds was made and stating that 10% or more of the Bonds of each maturity were in fact sold to the public (excluding bondhouses, 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 after appropriate investigation.

The current population as estimated by the City is 13,617 (Source: 2000 U.S. Census). The Debt Statement to be filed pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the bonds herein described, prepared as of April 5, 2011 will show the average full valuation of the real estate subject to taxation by the City to be \$348,043,436, its debt limit to be \$24,363,041, and its total net indebtedness subject to the debt limit to be \$8,023,000. The indebtedness to be evidenced by the Bonds will not increase the City's net indebtedness subject to the debt limit. The calculation of such indebtedness has not taken into account any deductions therefrom of any apportionment of State aid for debt service for school building purposes to which the City may be entitled. A detailed Official Statement will be furnished to any interested bidder upon request.

The City's contact information is as follows: Edward A. George, Comptroller, City of Geneva, 47 Castle Street, Geneva, NY 14456 (telephone number: (315) 828-6582; email: eag@geneva.ny.us); or, from the City's financial advisor, Municipal Solutions, Inc. (telephone number: (585) 394-4090).

DATED: April 15, 2011
Geneva, New York

Edward A. George, Comptroller
City of Geneva

Additional copies of the Notice of Sale and Official Statement may be obtained upon request from the office of Municipal Solutions, Inc., 2528 State Route 21, Canandaigua, New York 14424, telephone (585) 394-4090.
Website: www.municipalsolution.com

PROPOSAL FOR \$1,190,000 PUBLIC IMPROVEMENT (SERIAL) BONDS, 2011

Edward George, City Comptroller
 City of Geneva, Ontario County, NY
 c/o Municipal Solutions, Inc.
 2528 State Route 21
 Canandaigua, New York 14424
 Telefax (585) 394-4092; Telephone (585) 394-4090

SALE DATE: April 26, 2011
 SALE TIME: 11:30 A.M., Prevailing Time

Dated: May 15, 2011

Maturity Date: May 15, 2012/2025

Dear Mr. George:

For the \$1,190,000 Public Improvement (Serial) Bonds, 2011, of the City of Geneva, Ontario County, New York, as described in the annexed Notice of Bond Sale, which is hereby made a part of this bid, we will pay One Million, One Hundred Ninety Thousand Dollars (\$1,190,000) plus a premium of (\$ _____) and accrued interest to date of delivery, provided that the Bonds maturing in the several years set forth below shall bear interest, in the indicated multiple(s) of 1/8th or 1/100th of one per centum (1%), from their dated date until maturity at the respective rates per annum stated in the following table:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2012	_____ %	2016	_____ %	2021	_____ %
2013	_____ %	2017	_____ %	2022	_____ %
2014	_____ %	2018	_____ %	2023	_____ %
2015	_____ %	2019	_____ %	2024	_____ %
		2020	_____ %	2025	_____ %

Check ONE of the following:

- We enclose herewith a cashier's check or certified check for \$23,800 payable to the order of the City of Geneva, Ontario County, New York, to be returned to the undersigned upon the award of said Bonds provided this bid is not accepted; or, the amount of said check to be retained as and for liquidated damages in case of the failure of the undersigned to make payment as agreed.
- Wire Transfer - We have wired \$23,800 in Federal Funds pursuant to the instructions detailed in the Official Notice of Bond Sale for the account of the City of Geneva, which is to be applied in accordance the Official Notice of Bond sale against any loss resulting from the successful bidder failing to comply with the terms of the bid.

The following is our computation of the net interest cost, made as provided in the above-mentioned Notice of Sale, and is not a part of the foregoing proposal for the purchase of the \$1,190,000 Bonds therein described:

Gross Interest	\$ _____
Premium Bid Over Par	\$ _____
Total Interest	\$ _____
Effective Net Interest Rate	_____ %

(Four Decimals)

Receipt for return of good faith deposit:

Received from Edward George, City
 Comptroller, a check for \$23,800 representing
 the return of our good faith deposit.

 Signature

 Name of Bidder

 Address of Bidder

 Telephone

 Fax

 E-Mail