

CERTIFICATE OF MEMBERSHIP

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 Note, dated as of the date of their issuance:

Mayor	Tom Grossmann
City Manager	Eric Hansen
Director of Finance	Joe Reiglesperger
Member of Council	Michael Gilb
Member of Council	Christine Shimrock
Member of Council	Don Prince
Member of Council	Tony Bradburn
Member of Council	David Nichols
Member of Council	Pete Beck
Member of Council	
Clerk of Council	Teresa Schulte
Director of Law	Ken Schneider


Director of Finance

CERTIFICATE

The undersigned, Clerk of Council of said board of trustees, hereby certifies that the following constitutes a true and complete transcript of the proceedings authorizing the issuance of the above-identified obligations.


Clerk of Council

CERTIFICATE AS TO MAXIMUM MATURITY OF BONDS

Based upon information provided by and in reason to the request of the City Council of the City of Mason, Ohio, the Finance Director of the City of Mason, Ohio, being the fiscal officer of the City of Mason, Ohio, within the meaning of Section 133.01 of the Uniform Public Securities Law of the Ohio Revised Code, hereby certifies to such 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 financing the cost of constructing road improvements to Mason Road is at least five (5) years and that the maximum maturity of said Bonds, calculated in accordance with Section 133.20 of the Uniform Public Securities Law of the Ohio Revised Code is twenty (20) years.

IN WITNESS WHEREOF, I have hereunto set my hand this 21 day of April, 2009.


Finance Director

CITY OF MASON, OHIO

ORDINANCE NO. 2009 - 28

ORDINANCE AUTHORIZING THE CITY TO ENTER INTO A LOAN AGREEMENT TO PROVIDE FINANCING UTILIZING THE MASON PORT AUTHORITY CAPITAL FUNDING REVENUE BONDS (LOCAL GOVERNMENT POOLED FINANCING PROGRAM) AND ISSUANCE OF A \$2,000,000 NOTE TO PAY THE COST OF CONSTRUCTING ROAD IMPROVEMENTS AND DECLARING AN EMERGENCY.

WHEREAS, the City Council, (the "Council") of the City of Mason, (the "City"), Warren, County, Ohio deems it necessary to issue obligations under the provisions of Chapter 133 of the Ohio Revised Code for the purpose of constructing a road improvement; and

WHEREAS, the Council intends to enter into a loan agreement and issue Notes in the amount of \$2,000,000 payable over a period of twenty (20) years, with principal to be paid annually and interest to be paid semi-annually on the outstanding balance; and

WHEREAS, the fiscal officer of the City has estimated the life of the improvements constructed with the Notes described as at least five (5) years, and certified the maximum maturity of the Notes as twenty (20) years; and

WHEREAS, the Mason Port Authority (the "Port Authority") and RBC Capital Markets Corporation, Cincinnati, Ohio, as Program Administrator (the "Program Administrator"), have proposed the Mason Port Authority Capital Funding Revenue Bonds Local Government Pooled Financing Program (the "Program") whereby participating political subdivisions, by entering into lease-purchase agreements, or notes and loan agreements, and taking other related actions, may be able to achieve overall cost savings in their acquisition, installation and financing of improvements when compared to other options available to political subdivisions financing such improvements separately; and

WHEREAS, pursuant to authority provided in Sections 4582.21 et seq. of the Revised Code, this Council has determined it to be appropriate to participate in the Program to finance construction of road improvements to Mason Road in the City (the "Project") by entering into a loan agreement (the "Loan") with the Port Authority in accordance with the standard terms and provisions of the Program as presented to this Council by the Program Administrator, providing for the construction of the Project as described therein; and

WHEREAS, the portion of the Program to be utilized by the City provides that each participating political subdivision will enter into a Lease or Loan Agreement and conveyance, and assignment agreements, if required, of the types authorized by this Ordinance, with the Port Authority, which Port Authority has entered into, or will enter into, an Indenture of Trust (the "Indenture") with U.S. Bank National Association, or other financial institution as is selected by the Port Authority, as trustee (together with any successors, the "Trustee") assigning certain payments be received with respect to such lease-purchase agreements to the Trustee and authorizing the issuance and sale of revenue bonds (the "Program Bonds") constituting special obligations of the Port Authority payable solely from payments to be received with respect to the Program leases and loans; and

WHEREAS, the Council determines to finance the cost of the Project by participating in the Program and issuing a participant note and entering into a Loan Agreement between the City and the Port Authority; and

WHEREAS, the Loan will provide the estimated cost of the Project, which shall not exceed \$2,000,000, including certain costs of participating in the Program, and may be paid to the Port Authority over time, together with certain additional amounts set forth in the Loan, over a period not to exceed 20 years;

NOW, THEREFORE, the City of Mason (hereinafter called the "City"), County of Warren, Ohio, hereby ordains:

SECTION 1. It is hereby determined to be necessary and in the best interest of the inhabitants and citizens of the City, and the City hereby agrees, to acquire and construct, or cause to be acquired and constructed, the Project, in accordance with the plan of financing described in this Ordinance. The financing shall be in the principal sum of \$2,000,000 for the purpose of constructing road improvements to Mason Road under authority of the general laws of the State of Ohio, particularly Chapter 133 of the Ohio Revised Code. The City hereby determines it is necessary and in the best interest of the inhabitants and citizens of the City to finance those improvements by participating in the Program. Said Loan and corresponding Note shall be dated as determined by the City Manager and shall bear interest as provided therein and in the Loan Agreement, as hereinafter-defined, provided that such interest rate shall not exceed the lesser of 25% and the maximum rate allowed by law, such interest to be payable on the third business day preceding the first day of each month, commencing with the first such date following the initial issuance of the Notes (each, a "Loan Repayment Date") on the outstanding principal amount of the Note until the principal sum is paid in full, and principal shall be payable on December 1 of the years 2009 through 2028 as set forth in the Loan Agreement.

The Note shall be in fully registered form, registered in the name of the purchaser thereof and shall be subject to prepayment prior to maturity in whole or in part as set forth in the Loan Agreement.

The Trustee is hereby requested to enter into an Interest Rate Exchange Agreement, as defined for purposes of the Loan Agreement, so that the City will effectively pay interest with respect to the Notes at a fixed rate or rates in accordance with the Program, so long as there is no default under the Notes or the Loan Agreement or the Interest Rate Exchange Agreement. Pending execution and delivery of an Interest Rate Exchange Agreement satisfactory to the City and RBC Capital Markets Corporation, interest on the Participant Note shall be calculated at a variable rate as set forth therein.

SECTION 2. That said notes shall be signed by the City Manager. Said Note shall be designated "City of Mason Road Improvement Notes, Series 2009 (Local Government Pooled Financing Program)", and shall recite that it is issued pursuant to the provisions of the applicable law of the State of Ohio and this ordinance.

SECTION 3. The principal amount of the Note shall be payable at the principal office of the U.S. Bank, National Association (the "Paying Agent") and interest thereon shall be payable on each interest payment date to the person whose name appears on the record date on the bond registration records as the registered owner thereof, by check, wire transfer, or draft mailed to the Paying Agent.

SECTION 4. The City hereby consents to and approves the assignment of the Loan Agreement from the Port Authority to a bank to be selected by the Port Authority, as Trustee. The determinations of the final terms of Loan including interest rate, financed amount, term, and authorization schedule, and any other matters required by this Ordinance to be determined or approved by the City Manager, shall be set forth in the Loan and other Program documents and shall be conclusively evidenced by the execution and delivery of the Loan and the Program documents.

SECTION 5. Concurrently with the execution and delivery of the Notes, the City shall enter into a loan agreement (the "Loan Agreement") with the Port Authority to be dated of even date with the Note, in substantially the form presently on file with this Council, which is hereby approved. The City Manager, is hereby authorized to execute and deliver the Loan Agreement on behalf of the City with such changes not substantially adverse to the City as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the City shall be conclusively evidenced by the execution of the Loan Agreement by such official.

Pursuant to the Program, the City's payments pursuant to the Notes and the Loan Agreement, as well as those of other political subdivisions participating in the Program, have been

calculated to provide the Port Authority with revenues sufficient to pay debt service on the Program Bonds from time to time. This Council acknowledges that the City will be directly obligated to the Trustee as assignee of the Trustee and registered holder of the Notes, and that the Trustee may proceed directly against the City to enforce the City's obligations under the Notes and the Loan Agreement.

SECTION 6. The City agrees to execute and perform the Loan Agreement in accordance with the terms thereof. The City agrees to comply with the terms and conditions of the Indenture insofar as they relate to the City, and further agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the City Manager or the Finance Director, or any of them, in their discretion, necessary or appropriate in connection with the financing herein described.

SECTION 7. The City Manager, and the Finance Director, or any of them, are hereby authorized and directed to execute and deliver, on behalf of the City, 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 Ordinance in such forms as the official executing the same may approve.

SECTION 8. The City hereby covenants that it will use, and will restrict the use and investment of, the proceeds of the Loan, hereby authorized, in such manner and to the extent, if any, as may be necessary after taking into account reasonable expectations at the time the obligation is incurred, so that (a) the Program Bonds will not constitute "arbitrage bonds" or "hedge bonds" under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the "Code") or be treated as bonds to which Section 103 of the Code applies and (b) the interest on the Program Bonds will not be an item of tax preference under Section 57 of the Code. The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Program Bonds to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion and (c) it, or persons acting for it, will, among other acts of compliance (i) apply the proceeds of the Loan to the governmental purposes of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds and, as applicable, or property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

SECTION 9. That it is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuance of said note in order to make the same legal, valid and binding obligations of the Council have been done, have happened and have been performed in regular and due form as required by law, and that said notes and the tax for the payment of the principal and interest as the same fall due and are payable do not exceed any limitations of indebtedness or taxation fixed by law.

SECTION 10. That said note shall be sold to the Port Authority in accordance with their offer which is hereby accepted and which is for not less than ninety-seven percent of the par value thereof and accrued interest, in the manner prescribed by law. The proceeds from the sale of said notes except the premium, if any, and accrued interest, shall be used for the purposes aforesaid and for no other purpose; the premium and accrued interest shall be transferred to the note retirement fund to be applied to the payment of the principal of and interest on said notes in the manner provided by law.

SECTION 11. That said notes shall be the full general obligation of the City, and a 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 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 12. That during the period while such notes are outstanding, there shall be levied on all of the taxable property of the City, in addition to all other taxes, a direct tax annually sufficient to pay the interest on and principal of such notes; provided, however, that to

the extent that debt service on said notes is appropriated and paid from other sources, said tax shall not be levied or collected for such purpose. 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 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 in anticipation of which they are issued, when and as the same falls due.

SECTION 13. Peck, Shaffer & Williams LLP, attorneys of Cincinnati and Columbus, Ohio, be and are hereby retained as special counsel to the City to prepare the necessary authorizing documents, including the Loan Agreement and the Notes, and related closing documents for the City's initial participation in the Program and, if appropriate, rendering its approving legal opinion in connection therewith.


SECTION 14. That it is found and determined that all formal actions of the Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of the Council; and that all deliberations of the Council 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.

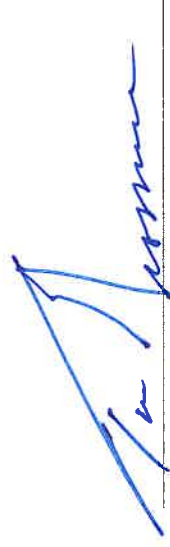
SECTION 15. That the Clerk of the Council be and are hereby directed to forward a certified copy of this resolution to the County Auditor.

SECTION 16. That this Ordinance is hereby declared to be an emergency measure for the reason that the public peace, health, safety and welfare of the inhabitants of the City require the immediate commitment to the Program to provide for the timely and efficient financing of the projects to which this Ordinance relates including obtaining a favorable interest rate, and shall take effect immediately upon its adoption.

PASSED: April 27, 2009.

Attest:


Clerk of Council


Mayor

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. 009-28 passed by the Council of the City of Mason, Ohio, on April 27, 2009.

[Signature]
Clerk of Council

RECEIPT

The undersigned hereby certifies that a copy of the foregoing ordinance was certified this day to the County Auditor.

Dated: May 4, 2009

[Signature]
Warren County Auditor

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 April, 2009, at 6000 Mason Montgomery Road, with the following members present: ALL PRESENT

There was presented and read to Council Ordinance No. 2009-28, entitled:

ORDINANCE AUTHORIZING THE CITY TO ENTER INTO A LOAN AGREEMENT TO PROVIDE FINANCING UTILIZING THE MASON PORT AUTHORITY CAPITAL FUNDING REVENUE BONDS (LOCAL GOVERNMENT POOLED FINANCING PROGRAM) AND ISSUANCE OF A \$2,000,000 NOTE TO PAY THE COST OF CONSTRUCTING ROAD IMPROVEMENTS AND DECLARING AN EMERGENCY.

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

Beck Mr. Bradburn then moved that Ordinance No. 2009-28 be adopted. Mr. _____ Seconded the motion and, the roll being called upon the question, the vote resulted as follows: *All Yes*

The ordinance was declared passed April 27, 2009.

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 April, 2009, to the extent pertinent to consideration and adoption of the above-entitled legislation.


Clerk of Council

\$	<u>34,835,000.00</u>
\$	<u>435,627.88</u>
\$	<u>34,399,372.12</u>
\$	<u>34,835,000.00</u>
\$	<u>435,627.88</u>
\$	<u>34,399,372.12</u>
\$	<u>10,420,000.00</u>

4 Total bonds and notes subject to 10-1/2% limitation (2 minus 3)

(A) Amount in sinking fund or bond retirement fund applicable to the payment of principal:

(B) Net amount subject to 10-1/2% limitation:

5 Bonds and notes included in item 4 above but issued WITHOUT AUTHORITY OF AN ELECTION

(A) Amount in sinking fund or bond retirement fund applicable to the payment of principal:

(B) Net amount subject to 5-1/2% limitation:

6 Bonds and notes included in items 4 and 5 above, issued during PRESENT CALENDAR YEAR WITHOUT AUTHORITY OF AN ELECTION:

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 April, 2009



Joseph J. Reigelsperger

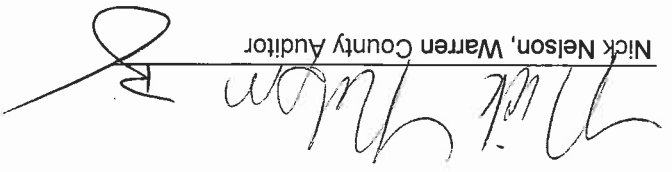
Finance Director
Title

**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 Mason in the principal amount of \$ 2,000,000.00 dated _____, 2009, 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, 2010	For Interest	Required Tax Rate for Two Previous Columns
Warren County	\$ 6,038,685,860.00	(a) Special Assessment bonds & notes in original or refunded form:	\$ 14,896,999.00	\$ 1,328,557.00	7 \$ 686,743.00	0.3337 MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitations:	\$ 10,919,264.00	\$ 1,217,427.00	\$ 397,423.00	0.2674 MILLS
Mason City or Village	\$ 1,081,470,600.00	(a) Special Assessment bonds & notes in original or refunded form:	\$ 295,000.00	\$ 101,000.00	\$ 20,114.00	0.1120 MILLS
		(b) All other bonds & notes payable from or secured by taxes inside 10 mill limitation:	\$ 34,735,000.00	\$ 1,641,000.00	\$ 1,472,910.00	2.8793 MILLS
Mason City School District	\$ 1,602,410,620.00	Bonds & notes payable from taxes inside 10 mill limitation:	\$ -	\$ -	\$ -	- MILLS
		(a) Special Assessment bonds & notes in original or refunded form:	\$ -	\$ -	\$ -	- MILLS
		(b) Proposed issue:	\$ 100,000.00	\$ 120,000.00	\$ 0.2034 MILLS	0.2034 MILLS
TOTAL						3.7958 MILLS

Dated this _____ 7th day of May 2009


 Nick Nelson, Warren County Auditor