



FUNDING AGREEMENT

This FUNDING AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2012, by and between the CITY OF MASON, an Ohio Municipal Corporation ("Mason") and MASON COMMUNITY IMPROVEMENT CORPORATION, an Ohio non-profit corporation (the "CIC").

WHEREAS, Mason and the CIC have a mutual interest in the continued maintenance of the Mason Veteran's Memorial (the "Memorial"); and

WHEREAS, the CIC currently has an outstanding balance related to the construction of the Memorial (the "Balance"); and

WHEREAS, the parties have negotiated a funding mechanism for the continued maintenance of the Memorial and the repayment of the Balance; and

WHEREAS, the parties now desire to memorialize the terms of said funding agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Beginning in the first full year after the execution of this Agreement, Mason will annually appropriate from its General Fund the estimated savings from reduced natural gas usage. Currently this is estimated to be \$6,000 per year. The appropriation is to be made available for general maintenance of the Memorial ("General Maintenance"). General Maintenance shall include, but not be limited to replacing light bulbs, minor electrical work, and other small scale repair items generally amounting to less than \$1,000 per item.

2. At the end of each year, any funds remaining in that line item ("Maintenance Excess") shall be paid to the CIC for the express purpose of reducing the outstanding Balance.

3. In any year in which the outstanding Balance is reduced by at least \$2,000 ("Reduction Threshold"), the CIC agrees to make funds available for Memorial capital improvements, any larger scale maintenance or repair issues not covered by Mason's General Maintenance responsibilities, and Memorial outreach programs ("CIC Maintenance") in an amount equal to the difference between the Maintenance Excess and the Reduction Threshold.

4. By way of example, and for illustration purposes only, if at the end of 2013 Mason had used \$1,000 of the budgeted funds for General Maintenance, the remaining \$5,000 Maintenance Excess would be paid to the CIC to reduce the Balance. As such, the Balance would have been reduced from \$113,000 to \$108,000, therefore meeting the \$2,000 Reduction Threshold. The CIC would then make \$3,000 available for CIC Maintenance [Maintenance Excess (\$5,000) – Reduction Threshold (\$2,000)].

5. This Agreement shall automatically terminate upon the outstanding Balance being completely paid, or upon 60 days' notice by either party.

6. This Agreement represents the parties' entire agreement with respect to the matters specified herein.

7. It is understood that this Agreement shall be governed by and construed under and in accordance with the laws of the State of Ohio. Venue for any actions arising under this Agreement shall be in the County of Warren, Ohio.

8. Any provision of the Agreement which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof.

This Agreement is hereby executed by the duly authorized representatives of the parties as of the date first written above.

CITY OF MASON

By _____

Eric Hansen

City Manager

MASON COMMUNITY IMPROVEMENT
CORPORATION

By _____

(Name) _____

(Title) _____