

RESOLUTION NO. 34-00

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER Douglas C. Cline ON  
THE 18<sup>th</sup> DAY OF September 2000.

A RESOLUTION DESIGNATING A PUBLIC DEPOSITORY AND AWARDING  
PUBLIC MONIES.

WHEREAS, pursuant to Section 135.12 Ohio Revised Code, the Council of the City of Centerville, Ohio must meet in open session and designate a public depository, on the basis of written applications received, for deposit of inactive and/or active and/or interim funds for the period commencing October 1, 2000 and ending September 30, 2003.

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in inactive deposits at the beginning of the period of designation to be up to One Hundred Thousand Dollars (\$100,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Five Hundred Thousand Dollars (\$500,000.00).

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in active deposits at the beginning of the period of designation to be up to Three Hundred Thousand Dollars (\$300,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Eight Hundred Thousand Dollars (\$800,000.00).

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in interim deposits at the beginning of the period of designation to be up to Five Million Dollars (\$5,000,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Eight Million Dollars (\$8,000,000.00).

WHEREAS, a written proposal was submitted by Fifth Third Bank, Western Ohio detailing the specific costs and terms of banking services.

A copy of said proposal attached hereto, incorporated herein by reference, and marked Exhibit "A", and

WHEREAS, written application has been received from Fifth Third Bank, Western Ohio, as follows:

For Active Deposits  
Maximum of Ten Million Dollars (\$10,000,000)

For Interim Deposits  
Maximum of Ten Million Dollars (\$10,000,000)

For Inactive Deposits  
Maximum of Ten Million Dollars (\$10,000,000)


A copy of said application with a copy of the financial statement of said Fifth Third Bank attached hereto, incorporated herein by reference, and marked Exhibit "B", and

WHEREAS, Council finds that the said Fifth Third Bank applied for active, inactive, and interim deposits, and that the sureties and securities are proper, namely: Such collateral in the amount necessary to sufficiently cover the total deposits as enumerated in Section 135.181 O.R.C.

NOW THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES:

That deposit of active, inactive, and interim deposits of the City, up to the maximum amounts set forth herein, as determined by council, be awarded to Fifth Third Bank, which bank shall become a depository for the monies of the City for a period of three years by written Memorandum of Agreement to be executed by the City with said depository.

PASSED this 18th day of September, 2000.

  
\_\_\_\_\_  
Mayor of City of Centerville

ATTEST:

  
\_\_\_\_\_  
Clerk of the Council of the  
City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Resolution No. 34-00, passed by the Council of the City of Centerville, Ohio, on the 18<sup>th</sup> day of September, 2000.

  
Clerk of Council

Approved as to form, consistency  
with existing ordinances, the charter  
and constitutional provisions.

Department of Law  
Robert N. Farquhar  
Municipal Attorney



PROPOSAL RELATING TO BANKING SERVICES

EXHIBIT "A"

PROPOSAL SUBMITTED BY:

BANK Fifth Third Bank

ADDRESS 110 North Main Street

Dayton, OH 45402

TELEPHONE (937) 227-6442 - Jill Brewer

This proposal contains all the information requested in the Request for Proposal, including the following exhibits:

- Exhibit A: Banking Services
- Exhibit B: Exceptions to this Request for Proposal
- Exhibit C: Other Services
- Bank's Availability Schedule(s)

Information on the Bank's capacity to provide electronic (on-line) banking services including wire transfer requests, ACH transactions, account balance inquiry, and direct deposit of payroll.

**NOTE:** The City may be interested in pursuing other services which may be available, but were not included in this Request for Proposal. However, these services will not be considered if they are not accompanied by a completed standard proposal. Please provide any additional information in conjunction with your proposal for consideration.

In addition to the above items, the City requires that the Non-Collusion Affidavit on the following page be completed and signed by the proposing bank.

Bidder: Jill A. Brewer

Title: Vice President

PLEASE PROVIDE THREE (3) COPIES OF YOUR PROPOSAL



June 1, 2000

Mr. Mark Schlagheck  
Finance Director  
City of Centerville  
100 West Spring Valley Road  
101 Centerville, OH 45458

Dear Mr. Schlagheck:

Fifth Third Bank of Western Ohio is pleased to respond to the request for proposal from the City of Centerville. It has been our pleasure to work with the City for several years, and it is our hope that the relationship has been mutually beneficial and will continue for the next term.

Should you have any questions or comments, please do not hesitate to contact me at 227-6442.

Sincerely,

Jill A. Brewer  
Vice President  
Public Funds



## I. Introduction

Fifth Third Bank appreciates the opportunity to provide a banking service proposal for the City of Centerville, Ohio. Fifth Third's proposal is in accordance with the specifications outlined in this Request for Proposal. Fifth Third Bank does collateralize all Public Fund deposits in accordance with the Ohio Revised Code, Chapter 135 of the Ohio Uniform Depository Act.

## II. Background

In our proposal we have restructured your accounts from the way they are currently structured. This new structure includes the Income Tax account currently at Bank One. We feel the new structure will maximize the dollars you have on deposit and the results will be increased interest earnings.

## III. Scope of Banking Services

### A. General

Fifth Third Bank of Western Ohio is pleased to respond to the request for proposal from the City of Centerville. It has been our pleasure to work with the City for several years, and it is our hope that the relationship has been mutually beneficial and will continue for the next term. We understand that this proposal represents a three (3) year contract with the City having two one-year renewal options at the end of the contractual period.

In light of our long-term relationship, we are pleased to present a new account structure for the City- one that not only affords **more streamlined operations**, but also **reduces banking costs**, and **increases investment income**. As part of this new structure, the available balances from *all* the City's accounts will sweep (to the penny) into our overnight investments. Contained herein is a complete description of our proposed structure, as well as a detailed itemization of the charges.

Fifth Third Bank's Public Funds Sweep Account automatically invests all excess funds in the checking account in an overnight repurchase agreement which is collateralized with government backed securities. The City will receive a daily Notice of Cash Management Activity which will detail the par value, type, rate, maturity date and cusip numbers of the securities backing the investment. This reporting fulfills the requirements of Senate Bill 81 for public investment in overnight repurchase agreements. Interest is accrued throughout the month and credited to the checking account on the first business day of the following month. The interest rate is currently 6.50%. The rate is tied to the Fed Funds Target Rate which can be monitored daily in the Wall Street Journal. We understand the importance of interest income to the success of the City, and consequently, Fifth Third Bank has always provided the City with the most competitive investment rates. Fifth Third Bank will guarantee to the City that our SWEEP rate will ALWAYS MIRROR TARGET FED FUNDS. By doing so, we will guarantee that the City will receive the most competitive rate, earning the maximum interest.

Public Funds Sweep Rates for Prior 12-Month Period

May, 1999	5.15%
June	5.15%
July	5.15%
August	5.15%
September	5.15%
October	5.25%
November	5.50%
December	5.50%
January, 2000	5.50%
February	5.75%
March	6.00%
April	6.00%
May	6.50%

**B. Accounts Included**

As described in the RFP, the City currently operates five (5) stand-alone accounts. We understand that the separate accounts are critical to proper posting and accounting, therefore, we propose that you maintain five (5) separate accounts:

- 1) General Operating
- 2) Payroll
- 3) Golf Club at Yankee Trace – Operating
- 4) Golf Club at Yankee trace - Restaurant
- 5) Income Tax Account

Fifth Third Bank would like to propose a structure that will provide complete autonomy between the accounts, while at the same time, EARN INTEREST ON EVERY ACCOUNT. To accomplish this, we recommend a Zero Balance Accounting (ZBA) system for the City. A ZBA system automatically links all the accounts together, and ties them to a consolidation account. The consolidation account will be set-up on our overnight SWEEP service, where the City will earn interest (currently at 6.5%) on ALL INVESTABLE BALANCES, IN ALL ACCOUNTS.

A Zero Balance Accounting system is a hands-off solution to managing multiple accounts within a single financial institution. A flow chart displaying this structure may be found in the Appendix, Exhibit D.

Daily, each of the sub-accounts will come to a zero balance, by debiting or crediting the consolidation account. The available balances from all the accounts will then be invested in our overnight SWEEP, thus maximizing the City's investment income. The City will no longer have to monitor each individual account, and transfer funds between the accounts. The ZBA system will electronically transfer those funds, without manual intervention.

At month end, the City will receive six (6) statements- one for each of the designated accounts, and one for the consolidation account. Keep in mind that the sub-accounts will no longer have a balance, but rather those monies will now be housed in the consolidation account, and earning interest. A Zero Balance Accounting system provides complete autonomy between multiple accounts, while streamlining operations, and increasing investment income. Fifth Third bank is pleased to present this new account structure to the City of Centerville.

C. Availability of Funds

Fifth Third Bank offers **extended deposit deadlines** to the City of Centerville, providing **same-day ledger credit on any deposits made at our banking centers**. As part of our standard operations, all our banking centers will accept and post deposits up until their close of day: 5:00 PM, 5:30 PM, or 8:00 PM for our BankMarts. This extra service ensures that the City will have the maximum amount of time to prepare their deposits.



**Assignment of Availability** – The Bank will award and post availability accordingly:

**Wire Transfer** - The Bank will assign same-day credit for all incoming wire transfers if received before 6:00 PM EST.

**Internal Transfers from Repurchase Agreements** - Fifth Third Bank does not debit and credit the City's account daily for the transfers to and from the investment SWEEP. But rather, we shadow the account's available balance for the calculation of interest, and apply the interest to the account on the first business day of the following month. Consequently, the available balance always appears in the consolidation account for reporting purposes.

**Checks Deposited** - Fifth Third assigns availability on deposited items based on the routing transit number encoded in the MICR line of the deposited item. The routing transit number is effectively the "bank's address" within the Fed system. Tied to each routing transit number is the expected time that it takes the Bank to present that check to the payor's bank. The compilation of this information becomes the Bank's "availability schedule". Please find a copy of the Bank's Availability Schedule in the Appendix, Exhibit E.

**D. Account Reconciliation**

Account reconciliations will be performed monthly on all of the City's accounts. The reconciliations will include serial sorting of the checks for each applicable account. **All bank statements will be online through TransAct, available on the first working day of the following month.** The hard copy, including cancelled checks should be received at the City by the 7<sup>th</sup> working day of each month for the preceding month's activity.

**E. Wire Transfer Agreements**

As requested, a sample wire transfer agreement may be found in the Appendix, Exhibit F. We understand that this agreement may be subject to change, and the changes will be negotiated by the City and the Bank.

**F. Payment for Services**

The Bank will provide the City with a monthly-consolidated analysis statement and invoice. We agree that the City will pay the monthly bank service charges within thirty (30) days after being presented with a correct

invoice. The invoice will consolidate the services of all of the accounts on one (1) billing statement. The invoice will include a detailed analysis of the volume and cost of each type of service provided. Since the Bank will be investing all available balances, the City will *not* be maintaining a compensating balance to offset fees.

**G. Electronic Banking Services**

**TRANSACT : PC**

TransAct:PC is Fifth Third's electronic banking solution, allowing you to perform your banking functions from the convenience of your personal computer. Currently, the City is setup on TransAct: PC for both information reporting and ACH origination. Below, we have outlined the various features of TransAct. All of these services are available today.

TransAct:PC is comprised of two separate, but linkable components: TransAct:PC ACH and TransAct:PC Banker. TransAct:PC ACH provides secure access to the Automated ClearingHouse (ACH), for electronic transfer of funds. TransAct:PC Banker provides full account balance reporting, electronic account reconciliation, wire transfer, stop payment initiation, and the ability to receive translated financial Electronic Data Interchange (EDI). Both TransAct:PC components function independently or they can be joined together to provide access from a single menu.

***TRANSACT:PC BANKER***

Access Fifth Third to obtain complete daily account balances and activity. Automatically reconcile accounts on a daily, weekly, or monthly basis. Send wire transfers and stop payment instructions via PC. Balances and activity of accounts held at other financial institutions can be reported through TransAct:PC multi-bank balance reporting. Notice of daily lockbox deposits, controlled disbursement activity, and commercial loan balances for sweep accounts are also available. TransAct:PC Banker eliminates multiple phone calls to the bank for account information.

- ***Balance Reporting*** - Download account balances and/or transaction detail, giving the most current account information. Reports detailing current and historical account balance activity can be displayed and/or printed. Custom reports can be easily designed to display only the information you wish to see. By accessing current account information, you can manage your cash position daily to optimize the use of funds and forecast future cash needs.

- ***Account Reconciliation*** - By combining the *downloaded* bank information with your file of issued checks, TransAct:PC will automatically reconcile your checking account(s). Unmatched exception items are easily identified and resolved, saving hours of manual account reconciliation. This powerful automated tool saves time, and reduces accounting and data entry errors. Reporting options include a reconciled account statement, an outstanding check report, and a cleared check report. TransAct:PC can also export a file of cleared checks, if reconciling is done on another system.
- ***Wire Transfer*** - Create repetitive and non-repetitive domestic wires and send them directly to Fifth Third Bank for same day transfer of funds. After the required corporate administrative approval and verification, wires are easily transmitted to Fifth Third Bank. Current and historical reports on wire activity are available, as well as on-line confirmation of successful wire completion(s). Sending wires via TransAct:PC saves time and improves information reporting.
- ***Stop Payment*** - Create and assure timely delivery of stop payment instructions to Fifth Third Bank. After a stop payment request is approved and transmitted to the bank, a hard copy report is generated for your records. Sending stop payments via the PC saves time by eliminating phone calls to the bank and produces reports detailing the multiple stop payments sent.
- ***Financial EDI*** - Receive electronic remittances for electronic payments received from your corporate trading partners. Receiving EDI via TransAct:PC provides timely notification of payment to your account. A report detailing the remittances being paid is available to print or display. The payment confirmation given by EDI reporting allows you to increase cash flow and maximize the use of funds.

### ***TransAct:PC ACH***

Initiate repetitive and non-repetitive electronic payments and cash concentration transactions from your PC for direct deposit of payroll, vendor payments, book transfers, funds transfers between Fifth Third and non-Fifth Third accounts, State and Federal tax payments, and credit transactions for payment owed to the City.

***TransAct:PC ACH Benefits***

- Eliminates checks, saves time and money (no check printing costs, no check clearing costs, and no postage)
- Minimizes the risk of lost or stolen checks (no more stop payments for checks)
- Offers increased financial control, improves cash management, and reduces idle funds
- When used to collect payments owed to the City, assures collection of funds in a timely manner (reduces aging of receivables)
- Reduces personnel time by eliminating the manual process of collecting, processing, and depositing checks
- Allows tax payments to be made via PC, eliminating trips to the bank
- Is an expensive and reliable method to transfer funds
- Can eliminate the need for costly wire transfers

**H. Safekeeping and Custody**

Fifth Third Bank can act as the third party custodian for purchased securities as stipulated in Section 135.18 (I) of the Ohio Revised Code. Safekeeping receipts will also be provided. The Bank's Trust Department will perform safekeeping services at no charge to the City

**IV. Other Bid Proposal Requirements**

**1. Banking Centers**

South Centerville 438-1296  
1003 South Main Street  
Centerville, OH 45458

Lobby:	9 – 5:30	Mon - Thurs
	9 – 6	Fri
	9 – 12	Sat
Drive Thru:	8:30 – 5:30	Mon – Thurs
	8:30 – 6	Fri
	8:30 – 12	Sat

South Centerville Quick Source 428-9642

1023 South Main Street  
Centerville, OH 45458

Lobby: 10 – 8 Mon – Fri  
9 – 5 Sat  
11 – 4 Sun

2. City's Account Representative

Primary

Jill A. Brewer, Vice President  
Public Funds

(937) 227-6442 phone (937) 227-6454 fax

B.S. Urbana University

Twelve years service with Fifth Third Bank

Twenty-two years banking experience

Back-up

Mary Demaree, Assistant Vice President

Public Funds

(937) 227-6446 phone (937) 227-6454 fax

Associate Degree, Sinclair Community College

Thirteen years service with Fifth Third Bank

Twenty-one years banking experience

3. The following client references are currently receiving depository services from Fifth Third Bank.

City of Springboro

320 West Central Avenue

Springboro, OH 45066

Finance Director: Robyn Brown 513-748-4353

City of Dayton

101 West Third Street

Dayton, OH 45402

Treasurer: Cheryl Garrett 937-333-3578

City of Beavercreek

1368 Research Park Drive

Beavercreek, OH 45432

Finance Director: Jon Stoops 937-427-5511

**V. Price**

1. Please find your completed worksheet in the Appendix, Exhibit A, where we provide the City with the unit costs for our services, as well as the estimated annual charges.
2. The Fifth Third Bank will guarantee the pricing for the three (3) year term of the contract. If the term is extended by the additional two, one-year renewal periods, Fifth Third reserves the right to increase our charges based on the CPI index.

**VI. Constraints**

1. Fifth Third Bank can meet all of the depository requirements prescribed in the City's depository agreement as well as those requirements stated within the Ohio Revised Code. Fifth Third Bank has dedicated itself to serving the public sector for many years. In 1979 a department was formed for the sole purpose of providing banking services to public entities. The excellence of our Public Funds Department is further enhanced by Fifth Third Bank's Trust and Investment Division, Corporate Treasury Management Services, Electronic Bank Card Processing and Operations Department. Fifth Third Bank is the only financial institution in the Dayton area that has three full-time Public Funds Officers on their staff.
2. Fifth Third Bank can provide additional accounts at the same price as quoted if the need arises during the term of the contract.

CITY OF CENTERVILLE  
BANKING SERVICES  
EXHIBIT A  
ALL ACCOUNTS

<u>SERVICE</u>	<u>ESTIMATED ANNUAL VOLUME</u>	<u>COST PER ITEM</u>	<u>ESTIMATED ANNUAL COST</u>
<b>DEPOSITS</b>			
Checks	40,500	0.05	2025
<b>CHECKS CLEARED</b>			
Operating Account	6,000	0.1	600
Payroll Account	6,500	0.1	650
Y.T. Checking Account	500	0.1	50
Y.T. Operating Account	-		
Income Tax	-		
<b>RETURNED CHECKS</b>			
	125	6	750
<b>STOP PAYMENTS</b>			
	20	0	0
<b>DAILY DEPOSIT CHARGE</b>			
	1,400	0.575	805
<b>WIRE TRANSFERS</b>			
Incoming	105	0	0
Outgoing	60	10	600
Between Accounts on TransAct	35	0.15	5.25
Account Maintenance	72	16	1152
Account Reconciliation (includes fine sort)	13,000	0.03	390
<b>MONTHLY STATEMENTS (per account)</b>			
	12	0	0
<b>AUTOMATIC INVESTMENT ACCOUNTS</b>			
	12	55	660
<b>INTEREST BEARING ACCOUNTS - NA.</b>			
	-	0	0

CITY OF CENTERVILLE  
BANKING SERVICES  
EXHIBIT A (continued)  
ALL ACCOUNTS

<u>SERVICE</u>	<u>ESTIMATED ANNUAL VOLUME</u>	<u>COST PER ITEM</u>	<u>ESTIMATED ANNUAL COST</u>
<b>ACCOUNT MODEM ACCESS</b>			
Initial Set-Up - NA.	0	0	0
Monthly fee per account	6	0	0
Online Viewing - All Transactions	18912	0	0
Online Viewing - Balances	1056	0	0
<b>FDIC ASSESSMENT FEE</b>			
Deposit ticket printing	ledger bal at month end 2,600	0.049 at cost	unknown
<b>OTHER FEES</b>			
Zero Balance Accounting	12	0	0
ACH Origination	1452	0.15	217.8
ACH Reciept	1272	0.15	190.8
ACH Premium Origination	456	0.2211	100.32
ACH TransAct Monthly Base	12	20	240
ACH Addenda	108	0.08778	9.48
ACH Maintenance	12	20	240
Deposit Adjustments	12	6	72
Item Deposit Reject	108	0.2	21.6
Currency Deposited	717640	0.0017	1219.99
Analysis Composite Group	12	0	0
<b>ESTIMATED ANNUAL FEES</b>			<b>\$9,999.24</b>
Reserve requirements	10%		
<b>SAFEKEEPING CHARGES</b>	unknown	0	0
<b>SWEEP RATE</b>	6.50%		
Effective	6.50%		
Minimum	NA.		
Earnings Credit Rate	5%		

**ASSUMPTIONS:**

Interest bearing accounts are not needed assuming the ZBA structure that we proposed.

The estimated volumes that we provided were based on actual monthly transactions, multiplied by 12.



CITY OF CENTERVILLE  
BANKING SERVICES  
PROPOSAL EXCEPTION FORM

EXHIBIT B

The Bank wishes to take exceptions to the following items:

<u>Page</u>	<u>Item</u>	<u>Estimated Costs</u>
-------------	-------------	------------------------

Fifth Third Bank does not have any exceptions.

CITY OF CENTERVILLE  
BANKING SERVICES  
EXHIBIT C

Below we have detailed other services provided by Fifth Third Bank. In some instances, Fifth Third currently provides these services to the City of Centerville. Regardless of status, our capabilities and recommendations are outlined:

**Credit Card/Purchase Card Services**

Fifth Third Bank currently provides credit card services to the City of Centerville. We have issued five (5) cards for a total credit limit of \$ 35,000. The standard annual rate is 19.8%; however, it is rarely exercised since we offer a grace period of 25 days from your monthly cutoff. For example, if a charge is made on May 1, and your monthly cutoff is May 27<sup>th</sup>, your payment on the May 1 purchase would be due on June 21. The annual fee is \$20./card.

**Credit Card Processing (City and Golf Club at Yankee Trace)**

Fifth Third Bank offers credit card processing through our subsidiary company, Midwest Payment Systems, Inc. (MPS). In recent months, Fifth Third has made strategic changes to better service our MPS accounts in Western Ohio, including management within our affiliate, a local customer service representative who is responsible for the ongoing support and maintenance of existing merchants, as well as a new sales staff trained to be responsive and supportive of Bank customers. We would welcome the opportunity to readdress these services to the City of Centerville.

**Lock-box Services**

Fifth Third Bank provides superior lockbox services from our operation center in Cincinnati, Ohio. Mail studies consistently rate Fifth Third's lockbox in Cincinnati as **one of the top 10 in the country**. As with any service, before making a recommendation, a cost /benefit analysis should be performed to ensure maximum benefits from the service. We welcome the opportunity to review the city's collection patterns and prepare an analysis for your review.

**Armored Car Service**

Historically, our clients have found that they have better leverage negotiating with the armored car services for their pickup and deliveries, than the Bank. Consequently, we recommend that the City continue with their current policy, and enter into an agreement with your courier of choice. In addition, this arrangement maintains a clear division of responsibilities, eliminating any conflict of interests.

---

### **Custodial Services**

Fifth Third Bank provides custodial and safekeeping services through our Trust Department. Fifth Third can act as the third party custodian for purchased securities as stipulated in Section 135.18 (I) of the Ohio Revised Code. Receipts for safekeeping are also provided. These services are provided to the City at no charge.

### **Direct Deposit Services**

The City of Centerville has the ability to originate direct deposit transactions from the convenience of your office using Fifth Third's flexible and easy-to-use TransAct ACH service. This PC-based software allows the City to create and maintain a masterfile on each employee. To affect a transfer, an authorized individual simply completes the dollar amounts, and transmits the payment data through a secure asynchronous transmission to Fifth Third Bank.

This same software may also be used for other electronic transactions such as vendor payments, direct debits, expense payments, and even tax payments. We welcome the opportunity to explore future applications with the City of Centerville.

### **Positive Pay**

Fifth Third Bank offers several positive pay services, however, the one that we believe will meet the City's needs is a service called "reverse positive pay". Through our TransAct Banker software, the City has the ability today to export the paid check information into your Accounts Payable system for a daily reconciliation. There is no additional cost for this service, and it provides unlimited protection from check fraud.

If the City prefers, our software will also accommodate an *import* of the check data, where the TransAct Banker software will perform the daily "match". Either way, the City is protected at **no additional cost** from unwanted perpetrators on their checking accounts.

### **Controlled Disbursement**

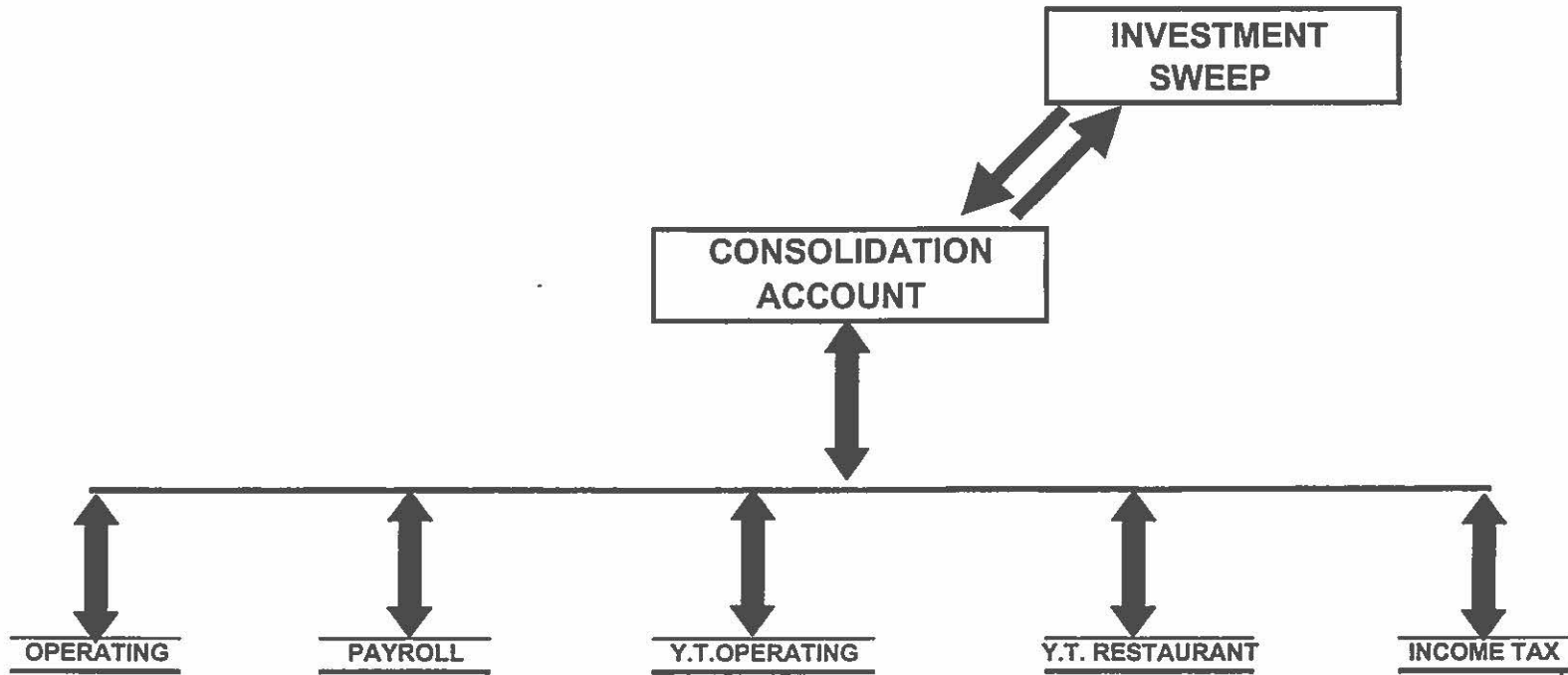
Fifth Third offers Controlled Disbursement, however, in the proposed Zero Balance Accounting system, we believe that it is an unnecessary cost, without benefit to the City.

### **Employee Benefit Banking**

To show our appreciation to the City of Centerville, Fifth Third offers special services to all your employees including, but not limited to free checking, additional interest on CDs and reduced interest on consumer loans. We would be happy to schedule a time when a specialist could address your employees and further explain the benefits.

---

**THE CITY OF CENTERVILLE**  
**ZERO BALANCE ACCOUNT STRUCTURE**



**APPLICATION FOR DEPOSIT OF PUBLIC MONEYS**

To the Board of City of Centerville  
Montgomery County, Ohio

The undersigned FIFTH THIRD BANK, WESTERN OHIO, hereby makes application to be designated as a depository for inactive and/or interim and/or active funds belonging to said City of Centerville for a period of three years from October 1, 2000 and ending September 30, 2003 in the total amount of All Funds (\$70,000,000) which amount is not in excess of thirty percent of the applicant's assets (R.C. 135.32 A,B) \$1,894,362,800.00, as revealed by the financial statement attached hereto.

The maximum amount of such public moneys which the applicant desires to receive and have on deposit as inactive deposits at any one time during the period covered by this designation is a total of All Funds (\$10,000,000), to be held:

The maximum amount of such public moneys which the applicant desires to receive and have on deposit as interim deposits at any one time during the period covered by this designation is a total of All Funds (\$10,000,000) to be held:

The maximum amount of such public moneys which the applicant desires to receive and have on deposit as active deposits at any one time during the period covered by this designation is a total of All Funds (\$10,000,000).

This application is accompanied by a financial statement of the applicant under oath of its Senior Vice President in such detail as to show the capital funds of the applicant as of the date of its latest report to the superintendent of banks or comptroller of the currency, adjusted to show any changes therein made prior to the date of the application.

The undersigned bank, if designated as said depository, will comply in all respects with the laws of Ohio relative to the deposit of such funds and will furnish as security for funds deposited over the amount insured by the Federal Deposit Insurance Corporation\*, eligible securities in accordance with Section 135.18 of the Uniform Depository Act of Ohio in the aggregate amount of All Funds (\$30,000,000)

IN WITNESS WHEREOF, we have by authority of our board of directors, caused our corporate seal to be hereunto affixed and these presents to be signed by our vice president and Assistant Vice President this 10<sup>th</sup> day of August 2000.

FIFTH THIRD BANK, WESTERN OHIO

BY: Mary M. Demaree  
Mary M. Demaree, Assistant Vice President

ATTEST: Jill A. Brewere  
Jill A. Brewere, Vice President

\*Surety company bond; acceptable securities as enumerated in R.C. 135.18; first mortgages as provided in R.C. 131.09. These securities shall be deposited with the treasurer of the governing board, or as otherwise authorized by law.

I, **Jill A. Brewer, Vice President** of Fifth Third Bank, Western Ohio, do hereby certify that the enclosed form is the financial statement of Fifth Third Bank, Western Ohio, as submitted to the Federal Reserve Bank as of the close of business December 31, 1999, being the date of the report to the Federal Reserve Bank last preceding the date of this application.

I further certify that the capital funds of Fifth Third Bank, Western Ohio as of this date are as follows:

CAPITAL	\$ <u>4,540,000.00</u>
SURPLUS	\$ <u>188,545,000.00</u>
TOTAL	\$ <u>193,085,000.00</u>

  
\_\_\_\_\_  
**Jill A. Brewer, Vice President**

Date: August 10, 2000

STATE OF OHIO, COUNTY OF MIAMI SS:

Sworn to and subscribed before me this 10th day of August 2000.

  
\_\_\_\_\_  
Notary Public

**JENNY BRADING**  
Notary Public, State of Ohio  
My Commission Expires June 29, 2003

# REPORT OF CONDITION

Consolidating domestic subsidiaries of the  
 Fifth Third Bank, Western Ohio  
 in the state of OH at the close of business on December 31, 1999  
 published in response to call made by (Enter additional information below)

4789   
 4789

## Statement of Resources and Liabilities

Dollar Amounts in Thousands

### ASSETS

Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		159,683
Interest-bearing balances		873
Securities:		
Held-to-maturity securities		2,099
Available-for-sale securities		2,636,022
Federal funds sold and securities purchased under agreements to resell		412
Loans and lease financing receivables:		
Loans and leases, net of unearned income	3,288,048	
LESS: Allowance for loan and lease losses	37,369	
LESS: Allocated transfer risk reserve	0	
Loans and leases, net of unearned income, allowance, and reserve		3,250,679
Trading Assets		0
Premises and fixed assets (including capitalized leases)		31,090
Other real estate owned		2,464
Investments in unconsolidated subsidiaries and associated companies		0
Customers' liability to this bank on acceptances outstanding		0
Intangible assets		90,255
Other assets		140,964
<b>Total assets</b>		<b>6,314,541</b>

### LIABILITIES

Dollar Amounts in Thousands

Deposits:		
In domestic offices		2,824,985
Noninterest-bearing	408,066	
Interest-bearing	2,416,919	
Federal funds purchased and securities sold under agreements to repurchase		2,322,095
Demand notes issued to the U.S. Treasury		82,811
Trading liabilities		0
Other borrowed money:		
With a remaining maturity of one year or less		100,000
With a remaining maturity of more than one year through three years		100,000
With a remaining maturity of more than three years		281,325
Bank's liability on acceptances executed and outstanding		0
Subordinated notes and debentures		103,000
Other liabilities		82,267
<b>Total liabilities</b>		<b>5,896,483</b>

### EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	4,540
Surplus	188,545
Undivided profits and capital reserves	249,242
Net unrealized holding gains (losses) on available-for-sale securities	(24,269)
Accumulated net gains (losses) on cash flow hedges	0
<b>Total equity capital</b>	<b>418,058</b>
<b>Total liabilities and equity capital</b>	<b>6,314,541</b>

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions

I,   
 ( Name, Title )

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

*Frank Letue*