

RESOLUTION NO. 31-99

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER James Reppert ON  
THE 16th DAY OF August 1999.

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 August 23, 1999 and ending August 22, 2001.

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, written application has been received from Community National Bank, Warren County, Ohio, as follows:

For Active Deposits

Maximum of Two Million Dollars (\$2,000,000)

For Interim Deposits

Maximum of Four Million Dollars (\$4,000,000)

For Inactive Deposits

Maximum of One Million Dollars (\$1,000,000)

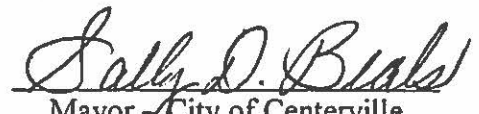
A copy of said application with a copy of the financial statement of said Community National Bank are attached hereto, incorporated herein by reference, and marked Exhibit "A", and

WHEREAS, Council finds that the said Community National 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.

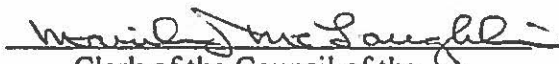
NOW THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES:

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 Community National Bank, which bank shall become a depository for the monies of the City for a period of two years by written Memorandum of Agreement to be executed by the City with said depository.

PASSED this 16th day of August, 1999

  
Mayor - 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. 31-99, passed by the Council of the City of Centerville, Ohio, on the 16th day of August, 1999.

  
Clerk of Council

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

Department of Law  
Robert N. Farquhar  
Municipal Attorney

# APPLICATION FOR DEPOSIT OF PUBLIC MONEYS

(R. C. 135.06, 135.08, 135.10)

To the CITY OF CENTERVILLE of MONTGOMERY COUNTY  
(Governing Board)  
MONTGOMERY County, Ohio

The undersigned THE COMMUNITY NATIONAL BANK of WARREN  
County, 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 TWO years from the 22<sup>ND</sup> 23<sup>RD</sup> day of AUGUST  
1999 in the total amount of SEVEN MILLION Dollars  
DATE  
(\$ 7,000,000), which amount is not in excess of thirty per cent of the  
applicant's total non-public deposit liability of \$ 90,474,218,  
as revealed by the financial statement attached hereto.

The maximum amount of such public moneys which this applicant desires to receive and  
have on deposit as inactive deposits at any one time during the period covered by this designa-  
tion is a total of ONE MILLION Dollars (\$ 1,000,000),  
to be held:

- \$ 1,000,000 for not less than 30 days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;

The maximum amount of such public moneys which this 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 FOUR MILLION Dollars (\$ 4,000,000),  
to be held:

- \$ 4,000,000 for not less than 30 days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;
- \$ ..... for not less than ..... days at ..... per cent interest;

The maximum amount of such public moneys which this applicant desires to receive and  
have on deposit as active deposits at any one time during the period covered by this designation  
is TWO MILLION Dollars (\$ 2,000,000).

This application is accompanied by a financial statement of the applicant under oath of  
its PRESIDENT in such detail as to show the capital funds of the  
(Cashier, Treasurer, or other officer)  
applicant as of the date of its latest report to the superintendent of banks, superintendent of building  
and loan associations, federal home loan bank board, or comptroller of the currency, adjusted to show  
any changes therein made prior to the date of the application.

The undersigned, 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, <sup>1</sup> .....

U.S. TREASURY BILLS AND NOTES OR SURETY BOND.....

in the aggregate amount of..... SEVEN MILLION  
Dollars (\$..... 7,000,000.....).

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.....  
president and cashier, this..... 16TH..... day of..... JUNE..... 1999  
DATE

THE COMMUNITY NATIONAL BANK  
(Name of Bank)

BY *Paul J. Scheuermann*  
PAUL J. SCHEUERMANN, President

Attest: *Brenda G. Henderson*  
BRENDA G. HENDERSON, Assistant  
VICE PRESIDENT/CASHIER

1. Surety company bond; acceptable securities as enumerated in R.C. 135.1A; 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.

Schedule RC - Continued

Dollar Amounts in Thousands

LIABILITIES

13. Deposits

|   | RCON |        | RCON |             |
|---|------|--------|------|-------------|
| a. In domestic offices (sum of totals of columns A and C from Schedule RC-E)                        |      |        | 2200 | 90,474 13.a |
| (1) Noninterest-bearing (1)   | 6631 | 9,679  |      | 13.a.1      |
| (2) Interest-bearing  | 6636 | 80,795 |      | 13.a.2      |
| b. In foreign offices, Edge and Agreement subsidiaries, and IBFs                                    |      |        |      |             |
| (1) Noninterest-bearing   |      |        |      |             |
| (2) Interest-bearing  |      |        |      |             |
| 14. Federal funds purchased (2) and securities sold under agreements to repurchase                  |      |        | 2800 | 0 14.       |
| 15. a. Demand notes issued to the U.S. Treasury   |      |        | 2840 | 0 15.a      |
| b. Trading liabilities  |      |        | 3548 | 0 15.b      |
| 16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases): |      |        |      |             |
| a. With a remaining maturity of one year or less  |      |        | 2332 | 0 16.a      |
| b. With a remaining maturity of more than one year through three years                              |      |        | A547 | 0 16.b      |
| c. With a remaining maturity of more than three years   |      |        | A548 | 0 16.c      |
| 17. Not applicable  |      |        |      |             |
| 18. Bank's liability on acceptances executed and outstanding  |      |        | 2920 | 0 18.       |
| 19. Subordinated notes and debentures (3)   |      |        | 3200 | 0 19.       |
| 20. Other liabilities (from Schedule RC-G)  |      |        | 2930 | 1,128 20.   |
| 21. Total liabilities (sum of items 13 through 20)  |      |        | 2948 | 91,602 21.  |
| 22. Not applicable  |      |        |      |             |

EQUITY CAPITAL

|   | RCON |  | RCON |            |
|---|------|--|------|------------|
| 23. Perpetual preferred stock and related surplus                         |      |  | 3838 | 0 23.      |
| 24. Common stock  |      |  | 3230 | 750 24.    |
| 25. Surplus (exclude all surplus related to preferred stock)              |      |  | 3839 | 750 25.    |
| 26. a. Undivided profits and capital reserves                             |      |  | 3632 | 5,692 26.a |
| b. Net unrealized holding gains (losses) on available-for-sale securities |      |  | 8434 | 0 26.b     |
| c. Accumulated net gains (losses) on cash flow hedges                     |      |  | 4336 | 0 26.c     |
| 27. Cumulative foreign currency translation adjustments                   |      |  |      |            |
| 28. Total equity capital (sum of items 23 through 26.c)                   |      |  | 3210 | 7,192 28.  |
| 29. Total liabilities and equity capital (sum of items 21 and 28)         |      |  | 3300 | 98,794 29. |

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1998

| RCON | Number |
|------|--------|
| 6724 | 1 M.1  |

- |   |   |
|---|---|
| 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank   | 4 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority) |
| 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately) | 5 = Review of the bank's financial statements by external auditors  |
| 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)   | 6 = Compilation of the bank's financial statements by external auditors   |
|   | 7 = Other audit procedures (excluding tax preparation work)   |
|   | 8 = No external audit work  |

- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.  
 (2) Report "term federal funds purchased" in Schedule RC, item 16, "Other borrowed money."  
 (3) Includes limited-life preferred stock and related surplus.

### Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for March 31, 1999

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

#### Schedule RC - Balance Sheet

C100 <-

|  |      | Dollar Amounts in Thousands |     |
|--|------|-----------------------------|-----|
| <b>ASSETS</b>  |      |                             |     |
| 1. Cash and balances due from depository institutions:   |      |                             |     |
| a. Noninterest-bearing balances and currency and coin (1,2)                                      | RCON | 2,892                       | 1.a |
| b. Interest-bearing balances (3)   | 0081 | 100                         | 1.b |
| 2. Securities:   |      |                             |     |
| a. Held-to-maturity securities (from Schedule RC-B, column A)                                    | 0071 | 20,860                      | 2.a |
| b. Available-for-sale securities (from Schedule RC-B, column D)                                  | 1754 | 45                          | 2.b |
| 3. Federal funds sold (4) and securities purchased under agreements to resell                    | 1773 | 3,950                       | 3.  |
| 4. Loans and lease financing receivables:  |      |                             |     |
| a. Loans and leases, net of unearned income (from Schedule RC-C)                                 | RCON | 68,610                      | 4.a |
| b. LESS: Allowance for loan and lease losses   | 2122 | 663                         | 4.b |
| c. LESS: Allocated transfer risk reserve   | 3123 | 0                           | 4.c |
| d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c) | 3128 | 67,947                      | 4.d |
| 5. Trading assets  | RCON | 0                           | 5.  |
| 6. Premises and fixed assets (including capitalized leases)                                      | 2125 | 1,835                       | 6.  |
| 7. Other real estate owned (from Schedule RC-M)  | 3545 | 170                         | 7.  |
| 8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)      | 2145 | 0                           | 8.  |
| 9. Customers' liability to this bank on acceptances outstanding                                  | 2150 | 0                           | 9.  |
| 10. Intangible assets (from Schedule RC-M)   | 2130 | 0                           | 10. |
| 11. Other assets (from Schedule RC-F)  | 2155 | 995                         | 11. |
| 12. Total assets (sum of items 1 through 11)   | 2143 | 98,794                      | 12. |

(1) Includes cash items in process of collection and unposted debits.

(2) The amount reported in this item must be greater than or equal to the sum of Schedule RC-M, items 3.a and 3.b

(3) Includes time certificates of deposit not held for trading.

(4) Report "term federal funds sold" in Schedule RC, item 4.a, "Loans and leases, net of unearned income", and in Schedule RC-C, part I.