

RESOLUTION 2017-02

A RESOLUTION TO AUTHORIZE THE VILLAGE CLERK/TREASURER TO EXECUTE AN AGREEMENT FOR DEPOSIT OF PUBLIC FUNDS WITH THE FIRST KNOX NATIONAL BANK AND TO DECLARE AN EMERGENCY

WHEREAS, the Village deposits its funds with The First-Knox National Bank and it is necessary for the Village to execute an Agreement for Deposit of Funds with said bank;

NOW THEREFORE, be it ordained by the Council of the Village of Centerburg, Ohio:

Section 1: Council hereby authorizes the Village Clerk/Treasurer to enter the Memorandum of Agreement for Deposit of Public Funds with The First Knox National Bank, a copy of which is attached hereto as Exhibit A.

Section 2: Council declares this to be an emergency measure immediately necessary for the preservation of the public peace, health, safety, and welfare, such emergency rising out of the necessity to maintain an agreement for deposit of public funds that reflects the extent of said funds actually deposited with said bank.

WHEREFORE, this Resolution is declared to be an emergency and shall take effect immediately upon passage.

DATE PASSED Aug 7, 2017

ATTEST SIGNATURE ON FILE CLERK OF COUNCIL

SIGNATURE ON FILE

PRESIDENT OF COUNCIL

SIGNATURE ON FILE

MAYOR

DATE APPROVED 8-7-17

APPROVED AS TO FORM:

SIGNATURE ON FILE LEGAL COUNSEL

I hereby certify that the ordinance or a summary of the ordinance was published once a week for two consecutive weeks on August 10, 2017 and August 17, 2017 in the Mount Vernon News in conformance with the Ohio Revised Code.

SIGNATURE ON FILE CLERK-TREASURER

## MEMORANDUM OF AGREEMENT FOR DEPOSIT OF PUBLIC FUNDS

WHEREAS **First Knox National Bank** is a wholly owned subsidiary of Park National Corporation, a bank holding company under the laws of the United States and the State of Ohio, located and doing business within the city of Newark, Ohio, hereinafter referred to as the "Financial Institution," and

WHEREAS the Financial Institution has capital funds as defined by Section 135.01(C) of the Ohio Revised Code of **Five Hundred Ninety Four Million Sixty-Six Thousand and 00/100 Dollars (\$594,066,000.00)** as shown in the financial statements included herewith; and

WHEREAS the Financial Institution has total assets of **Seven Billion Six Hundred Seventy-One Million Seven Hundred Twenty-One Thousand and 00/100 Dollars (\$7,671,721,000.00)** as shown in financial statements herewith; and

WHEREAS thirty percent (30%) of the aforementioned total assets equals **Two Billion Three Hundred One Million Five Hundred Sixteen Thousand and 00/100 Dollars (\$2,301,516,000.00)** and

WHEREAS the Financial Institution has submitted to **Village of Centerburg**, hereinafter referred to as the "Customer," a written proposal, hereinafter referred to as the "Proposal," stating that for the full term beginning **August 28, 2017** and ending **August 27, 2019** both inclusive, it will accept for deposit and safekeeping up to **Two Million and 00/100 Dollars (\$2,000,000.00)** of total deposits for the Customer with such total deposits consisting of not more than **Two Million and 00/100 Dollars (\$2,000,000.00)** in active deposits, not more than **Two Million and 00/100 Dollars (\$2,000,000.00)** in interim deposits, not more than **Two Million and 00/100 Dollars (\$2,000,000.00)** in inactive deposits, as the terms active deposits, interim deposits, and inactive deposits are all defined in Section 135.01 of the Ohio Revised Code; and

WHEREAS the Proposal further states that pursuant to the Uniform Depository Act of Ohio, the Financial Institution agrees to pledge and deposit with the **Teri James** of the Customer or with a designated Trustee as security for the repayment of all public moneys to be deposited in the Financial Institution by Customer security of the kind specified in Section 135.18, Section 135.181, or any other sections of the Ohio Revised Code specifying eligible security, in a sum equal to the minimum amount of security required by Section 135.18 or 135.181 of the Ohio Revised Code, or surety company bond or bonds in a sum required by said Uniform Depository Act; and

WHEREAS the Customer has accepted the Proposal of the Financial Institution, and has selected the Financial Institution as one of its depositories for the period beginning **August 28, 2017** and ending **August 27, 2019**, both dates inclusive, for active deposits up to **Two Million and 00/100 Dollars (\$2,000,000.00)**, interim deposits up to **Two Million and 00/100 Dollars (\$2,000,000.00)**, and inactive deposits up to **Two Million and 00/100 Dollars (\$2,000,000.00)**; and

WHEREAS the Customer has awarded to the Financial Institution a deposit or deposits of money at the rate of interest for such inactive and interim deposits set forth in its Applications for the Deposit of Public Moneys; and

WHEREAS the total amount of active, interim, and inactive deposits awarded hereunder equals **Two Million and 00/100 Dollars (\$2,000,000.00)**, a total which does not exceed the limit set by Section 133.03 of the Ohio Revised Code of thirty percent (30%) of the total assets of the Financial Institution;

**NOW**, therefore in consideration of said acceptance and award on the part of the Customer and in consideration of deposit and use of the moneys of the Customer, the Financial Institution now hereby agrees to receive from the Customer up to the sum of **Two Million and 00/100 Dollars (\$2,000,000.00)** of the moneys of the Customer coming into the hands of the **Teri James** of the Customer in an account or accounts known as the Deposit Account or Accounts. Such deposits shall be made pursuant to the provisions of Section 19 of the Federal Reserve Act and Section 3 of its Regulation Q, together with the amendments by the Board of governors of the Federal Reserve System.

The Financial Institution further agrees that to secure the performance of its obligations hereunder and under said Proposal, and in observance of all requirements of law applying to such deposits, depositories, contracts and bonds, it will forthwith pledge to and deposit with the **Teri James** or designated Trustee to the Customer for the benefit of the Customer and to its satisfaction, and to the satisfaction of the legal advisor of the Customer as to form, eligible securities of aggregate market value equal to the excess of the amount of public moneys to be at the time so deposited, over and above such portion or amount of such moneys as is at such time insured by the Federal Deposit Insurance Corporation, or by any agency or instrumentality of the Federal Government, under the provisions of Section 135.18 or Section 135.181 of the Ohio Revised Code.

The Financial Institution further covenants and agrees that: (1) any or all of the money awarded to or deposited with it as active funds, may be drawn against at any time by the Customer with the instruments executed by such authorized person(s) or officer(s) and according to such procedures as the Customer may designate and prescribe; (2) interim deposits shall be evidenced by certificate(s) of deposit maturing in 14 or more days, but in no event more than one year from date of deposit; (3) inactive deposits shall be evidenced by certificate(s) of deposit, each of which shall mature no later than the end of the period of designation, and may provide on its face that the amount of such deposit is payable upon written notice to be given a specified period before the date of repayment. In addition, the Financial Institution will hold for the benefit of the Customer eligible investments as described and evidenced pursuant to Chapters 135.14 and 135.35 of the Ohio Revised Code.

The Financial Institution also agrees that while any part of the award is on deposit with the Financial Institution, it will also provide the **Teri James** of the Customer with a statement as of the last business day of each month showing the balance of such active, interim, and inactive moneys in its possession.

The Customer in consideration of the agreements of the Financial Institution, heretofore set forth, agrees that for and during the period of time beginning **August 28, 2017** and ending **August 27, 2019** both inclusive, it will and does designate the Financial Institution as a depository of money belonging to it in the amounts set forth above and that it will, during said term, allow the Financial Institution the full use, for its lawful and proper purposes, of the daily balances of the moneys placed in the Financial Institution by the **Teri James** of the Customer. The agreement is subject to the terms, conditions, and stipulations set forth herein, and is subject to the Uniform Depository Act of Ohio and all amendments or supplements thereto, and the terms of the Financial Institution's Proposal.

It is further agreed that if any state or federal laws, rules or regulations are changed or amended during the term of the Financial Institution's designation as public depository, and the change of laws, rules, and regulations causes this agreement to become unlawful, then this agreement shall be limited so as not to extend beyond the date when such change becomes effective.

IN WITNESS WHEREOF, the parties hereunto set their hands by their duly authorized officers of the parties, this August 28, 2017.

**First Knox National Bank**

Debra Holiday	AVP, Operations	Sherry Snyder	Cash Mgt Officer
_____ Printed Name	_____ Title	_____ Printed Name	_____ Title
<span style="border: 1px solid red; padding: 2px;">SIGNATURE ON FILE</span>	<i>AUP</i> 07/24/2017	<span style="border: 1px solid red; padding: 2px;">SIGNATURE ON FILE</span>	07/24/2017
_____ Signature	_____ Date	_____ Signature	_____ Date

**Village of Centerburg**

<i>Teri James</i>	<i>Clerk</i>		
_____ Printed Name	_____ Title	_____ Printed Name	_____ Title
<span style="border: 1px solid red; padding: 2px;">SIGNATURE ON FILE</span>	<i>8-7-17</i>		
_____ Signature	_____ Date	_____ Signature	_____ Date
_____ Printed Name	_____ Title	_____ Printed Name	_____ Title
_____ Signature	_____ Date	_____ Signature	_____ Date