

RESOLUTION NO. R15-16

A RESOLUTION AUTHORIZING THE VILLAGE ADMINISTRATOR AND FISCAL OFFICER TO ENTER INTO MEMORANDUM OF UNDERSTANDING WITH THE COVINGTON SAVINGS AND LOAN ASSOCIATION

WHEREAS, it is necessary for the Village of Covington to maintain bank accounts for the various village needs, including, but not limited to, deposits and check writing services;

WHEREAS, The Covington Savings and Loan Association has offered these banking services to the Village of Covington as set forth in the memorandum of agreement attached hereto as Exhibit A;

NOW, THEREFORE, pursuant to the forgoing, be it resolved by the Council of the Village of Covington, Miami County, Ohio, as follows:

SECTION ONE: That the Village of Covington approves the Memorandum of Understanding and authorizes the Village Administrator and Fiscal Officer to execute the Memorandum of Agreement provided by the Covington Savings and Loan Association attached as Exhibit A.

SECTION TWO: That this resolution shall take effect at the earliest time provided by law.

Passed this 4th day of April, 2016



Ed McCord, Mayor



R. Scott Tobias, President of Council



Brenda Carroll, Clerk / Fiscal Officer



117 North High Street, P.O. Box 188  
Covington, Ohio 45318-0188  
Phone 937-473-2021  
Fax 937-473-2022

March 11, 2016

Village of Covington  
1 S High St  
Covington, OH 45318-1309

**TO WHOM IT MAY CONCERN:**

According to our records, the existing Memorandum of Agreement for the Village of Covington will expire on April 15, 2016. We have enclosed a new Memorandum of Agreement in the amount of \$1,500,000.00 to run in effect until April 15, 2021 or until otherwise amended. To keep this coverage in effect, please sign the second page of the Memorandum of Agreement and return in the enclosed envelope.

If you have any questions or concerns, please feel free to contact us at (937) 473-2021.

Sincerely,

Ronald A. Sutherland  
President / CEO

**MEMORANDUM OF AGREEMENT  
FOR DEPOSIT OF PUBLIC FUNDS**

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WHEREAS, Covington Savings & Loan Assoc., a financial institution corporation under the laws of the State of Ohio located and doing business within Miami County, Ohio, is hereinafter referred to as the "Financial Institution", having capital funds as defined by Section 135.01 (C) of the Revised Code of Nine Million Nine Hundred Fifty-One Thousand One Hundred Forty-Seven Dollars (\$9,951,147.00) and thirty percent (30%) total assets of Nineteen Million Six Hundred Twenty-Five Thousand One Hundred Fifty-Two Dollars and Eighty Cents (\$19,625,152.80) as shown in the financial statement attached to the application or applications of the Financial Institution, has in writing proposed to the Village of Covington, that for the full term beginning April 15, 2016 ending April 15, 2021, both inclusive, it will accept for deposit and safekeeping the maximum sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) or any part thereof of the active deposits of the Village of Covington, and it will accept for deposit and safekeeping the maximum sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) of the inactive deposits of the said subdivision as active, and inactive deposits, as defined in Section 135.01 of the Revised Code.

WHEREAS, said Financial Institution has also, in the written proposal, and pursuant to the Uniform Depository Act of Ohio, offered to pledge and deposit with the Treasurer of the subdivision or designated Trustee as security for the repayment of all public moneys to be deposited in the Financial Institutions by said Village of Covington, security of the kind specified in Section 135.18, and any other sections of the Revised Code of Ohio specifying eligible security, in a sum equal to the minimum amount of security required by Section 135.18, or surety company bond or bonds in a sum required by said Uniform Depository Act; and

WHEREAS, the said Village of Covington has accepted the proposal of said Financial Institution, either as to the whole or part of the amount of deposit proposed for, and has selected said Financial Institution as one of its depositories for and during the period or periods of time as follows for the sum herein set forth: One Million Five Hundred Thousand Dollars (\$1,500,000.00) for the period beginning April 15, 2016 and ending April 15, 2021 as active deposits; and Zero Dollars (\$0.00) for the period beginning N/A and ending N/A as inactive deposits and One Million Five Hundred Thousand Dollars (\$1,500,000.00) for the period beginning April 15, 2016 and ending April 15, 2021 as inactive deposits both dates inclusive and awarded to it, as such depository, a deposit or deposits of money at the rate of interest for such inactive deposits set forth in its applications for the deposits of public moneys; the total of which active, and inactive deposits awarded totals One Million Five Hundred Thousand Dollars (\$1,500,000.00), a total which does not exceed the limit set by Section 135.03, of the Revised Code, thirty percent of the total asset of the Financial Institution;

Said Financial Institutions further agrees that to secure the performance of its obligations hereunder and under said proposal and the observance of all requirements of law applying to such deposits, depositories, contracts, and bonds, it will forthwith pledge to and deposit with the Treasurer or designated Trustee to said Village of Covington for the benefit of said Village of Covington and to its satisfaction, and to the satisfaction of the legal advisor of Village of Covington as to form, eligible securities of aggregate market value equal to the excess of the amount of public moneys to be at the same 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 of the Revised Code; or a surety company bond or bonds in the sum required by Section 135.18, Revised Code. The said Financial Institution will offer the following security to secure said award. Type of securities deposited or security offered:

Permissible Securities having sufficient market value to cover deposits beyond the amount covered by FDIC.

Said Financial Institution further covenants and agrees that any or all the money awarded to or deposited with it as active funds, may at any time be drawn against by check of Village of Covington executed by such authorized person(s) and according to such procedure as said Village of Covington may designate and describe; such inactive deposits shall be evidenced by certificates of deposit, each of which shall mature not 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.

Said Financial Institution also agrees to file with the Treasurer of Village of Covington on the last business day of each month during any time that a part of the award is on deposit a statement showing the balance of such active, and inactive moneys in its possession, and Village of Covington in consideration of the agreements of said Financial Institution, heretofore set forth, agrees that for and during the period of time beginning April 15, 2016 and ending April 15, 2021, both inclusive, it will and does designate said 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 same Financial Institution the full use, for its lawful and proper purposes of the daily balances, of deposits of the moneys coming into the hands of the Treasurer of Village of Covington as such Treasurer, in the Treasurer's Account in said Financial Institution, as aforesaid; all pursuant and subject to the Uniform Depository Act of Ohio, herein referred to, and all amendments or supplements thereto, and to the terms of the Financial Institution's proposal, and all within the limits and under and subject to the terms conditions and stipulations in this agreement set forth. The securities deposited, and the surety bond, or both, shall be and are surety and bonds for the compliance by the Federal Institution with each and all of the provisions, terms, limitations, conditions and stipulations hereinbefore mentioned, and for the performance hereof by the Financial Institution. It is further agreed that this contract shall become null and void whenever by amendment or amendments of any state of federal law or the amendment or adoption of any valid regulations, thereunder, of the United States are changed or amended, the terms of the designation, lawful at the beginning of any period of designation, cause to be unlawful, during such period and if such period and if such change of law or regulation requires, the period of designation, cause to be unlawful, during such period and if such period and if such change of law or regulation requires, the period of designation shall be limited so as not to extend beyond the date when such change becomes effective.

IN WITNESS WHEREOF, the parties have hereunto set their hands by their duly authorized officers, this 15th day of April, 2016.

The Covington Savings & Loan Assoc.

By: [Signature]  
Ronald A Sutherland, President

By: [Signature]  
Michael L Sanderson, Vice President

The Village of Covington

By: [Signature]  
Name Title

By: Village Administrator  
Name Title

By: \_\_\_\_\_  
Name Title

# COVINGTON SAVINGS AND LOAN ASSOCIATION

MAIN OFFICE:  
BRANCH OFFICES:

117 North High Street, Covington  
700 East Broadway, Covington  
223 North Miami Street, Bradford

PHONE:  
937-473-2021

MAIL:  
WEB ADDRESS:

P. O. Box 188, Covington, Ohio 45318-0188  
[www.covingtonsavingsandloan.com](http://www.covingtonsavingsandloan.com)

## 129 YEARS STRONG!

### STATEMENT OF CONDITION AS OF SEPTEMBER 30, 2015

<b>ASSETS:</b>	
Cash and Due from Banks	\$ 8,931,336
Interest-Bearing Deposits in Other Financial Institutions	0
Overnight Deposits	0
Total Cash and Cash Equivalents	<u>8,931,336</u>
Securities Available for Sale	18,417,882
Securities Held to Maturity	9,244,792
Federal Home Loan Bank Stock	1,115,700
Loans (net of Allowances for Loan Losses)	26,990,420
Premises and Equipment (net)	476,865
Other Real Estate Owned	0
Accrued Interest Receivable and Other Assets	240,181
<b>TOTAL ASSETS</b>	<u><u>\$ 65,417,176</u></u>
 <b>LIABILITIES AND MEMBERS' EQUITY:</b>	
<b>Liabilities:</b>	
Deposits	\$ 55,003,760
Escrows	164,553
Advances from Federal Home Loan Bank	0
Other Liabilities	297,716
<b>Total Liabilities</b>	<u>55,466,029</u>
 <b>Members' Equity:</b>	
Capital Stock	10,000
Retained Earnings	9,843,734
Accumulated Other Comprehensive Income	97,413
<b>Total Members' Equity</b>	<u>9,951,147</u>
<b>TOTAL MEMBERS' EQUITY AND LIABILITIES</b>	<u><u>\$ 65,417,176</u></u>

Incorporated March 23, 1886

SAVINGS AND DEPOSIT ACCOUNTS INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION

For your convenience, STAR NETWORK and 24-Hour Banking at 3 Locations!

INTERNET BANKING!

This statement has been prepared in accordance with regulatory reporting requirements of the Office of Comptroller of Currency (OCC). Tangible, Core, and Total Capital are the elements of regulatory capital determined under such reporting requirements. Regulatory capital is a basis by which the OCC determines whether a savings association is operating in a safe and sound manner.



I, Ronald A. Sutherland, President of the above-named association, do hereby declare that this Statement of Condition has been prepared in conformance with the instructions issued by the Office of Comptroller of Currency and is true to the best of my knowledge and belief.

*Ronald A. Sutherland*

Ronald A. Sutherland, President

