

**CITY OF SOUTH LEBANON, OHIO
RESOLUTION NO. 2026-13**

**A RESOLUTION AUTHORIZING THE MAYOR AND DIRECTOR OF FINANCE TO
ENTER INTO A MEMORANDUM OF AGREEMENT WITH LCNB NATIONAL BANK
TO BE THE DESIGNATED DEPOSITORY FOR CITY FUNDS**

WHEREAS, Section 135.12(B) of the Ohio Revised Code (ORC) requires municipalities to designate a depository for public funds every five (5) years; and

WHEREAS, most recently, the Council designated LCNB National Bank in 2021, pursuant to Resolution No. 2021-16; and

WHEREAS, the City desires to ensure the safekeeping of public monies and maintain efficient banking services; and

WHEREAS, the Director of Finance has reviewed the City's banking needs and the performance of its current financial institution; and

WHEREAS, the Director of Finance recommends that LCNB National Bank continue serving as the depository for City funds; and

WHEREAS, LCNB National Bank meets the requirements of a public depository as outlined in Section 135.12(B) of the Ohio Revised Code.

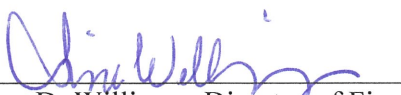
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of South Lebanon, Ohio, at least a majority of all members elected thereto concurring:


Section 1. That the Council authorizes the Mayor and Director of Finance to enter into a Memorandum of Agreement for Deposit of Public Funds with LCNB National Bank, attached hereto and incorporated herein by reference.

Section 2. That the recitals contained within the Whereas Clauses set forth above are incorporated herein by reference.

Section 3. That it is found and determined that all formal actions of the Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of Council in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Adopted this 4th day of June, 2026.

Attest: 
Petrina D. Williams, Director of Finance/Clerk


Linda S. Burke, Mayor

APPLICATION FOR DEPOSIT OF PUBLIC FUNDS

To: The Corporation Council
South Lebanon Corporation
Warren County

LCNB National Bank which is located and doing business through an office in South Lebanon, Ohio Warren County hereby applies to be designated as a depository for Active and Interim/ or Inactive Funds belonging to South Lebanon Corporation from July 1, 2026 to July 1, 2031.

The total amount applied for as specified below will be \$17,000,000.00 which amount, in addition to those public funds held under Sections 135.31 through 135.40 of the Ohio Revised Code is not in excess of thirty percent (30%) of its assets \$2,240,769,000.00 as revealed by the financial statements attached hereto.

The maximum amount of public monies which the applicant desires to receive and have on deposit as active funds at any one time during the period covered by this offer is \$15,000,000.00.

The maximum amount of such public monies which the applicant desires to receive and have on hand as interim deposits at any one time during the period covered by this offer is a total of \$1,000,000.00 which will be held as enumerated below:

Funds will be held for maturities as requested, at Market rates of interest to be quoted at times of deposit.

The maximum amount of public deposits which applicant desires to receive and have on deposit as inactive funds at any one time during the period covered by this offer is \$1,000,000.00 which will be held as enumerated below:

Funds will be held for maturities as requested, at Market rates of interest to be quoted at times of deposit.

For interim and inactive deposits, the bank will issue Certificates of Deposits during the period of designation in the amount desired. Interest will be payable at the maturity thereof, or at the time of withdrawal prior thereto. Interest rates are subject to change from time to time. Current interest rate quotations should be obtained from the bank during normal business hours.

This application is accompanied by the required financial statement of the applicant under the oath of its President/CEO and in such detail to show the assets and the capital funds of the applicant as of the date of its latest report to the Comptroller of the Currency adjusted to show any changes therein made after the report, but prior to the date of this application.

LCNB, if subsequently designated as a depository will comply in all respects with the law, regulations and rules of Ohio and United States relative to the deposits of such funds and will furnish, at the bank's option, security for funds provided under either Section 135.18 or 135.182. The bank may choose to secure public funds deposits with an approved line of credit but will do so only after executing an additional agreement with the depositor.

LCNB National Bank


Lawrence P. Mulligan Jr
EVP/COO

MEMORANDUM OF AGREEMENT FOR DEPOSIT OF PUBLIC FUNDS

This is an agreement between LCNB National Bank, a National Bank located and doing business in Warren County through an office in South Lebanon, Ohio; whereby the South Lebanon Corporation accepts the bank's offer to serve as public depository during the period of July 1, 2026 to July 1, 2031 inclusive.

Therefore, under this agreement the sub-division will appoint LCNB National Bank as its depository and will deposit funds as enumerated below:

- a) South Lebanon Corporation will deposit active funds and the bank will accept a maximum of \$15,000,000.00 or any part thereof. For the service of making active funds accessible by demand, check, draft or other similar instrument, the bank may charge a reasonable fee, as enumerated under Section 135.16 of the Ohio Revised Code.
- b) South Lebanon Corporation will deposit and the bank will accept as interim deposits a maximum of \$1,000,000.00 or any part thereof. The bank will issue Certificates of Deposits during the period of designation in the amount desired. Funds will be held for maturities as requested, at Market rates of interest to be quoted at times of deposit.
- c) South Lebanon Corporation will deposit and bank will accept as inactive deposits a maximum of \$1,000,000.00 or any part thereof. The bank will issue Certificates of Deposit during the period of designation in the amount deposited. Funds will be held for maturities as requested, at Market rates of interest to be quoted at time of deposit.

For both interim and inactive deposits, the interest payable on Certificates of Deposits will be at the maturity thereof or at the time of withdrawal prior thereto. Also, for both interim and inactive deposits, the interest rates are subject to change from time to time. While the information contained in this agreement represents current interest rates, in the future, such quotation should be obtained from the bank during normal business hours. If a deposit is renewed, it shall carry the then prevailing interest rate at the time on that type of deposit.

The total amount thus awarded under this agreement totals \$17,000,000.00 which does not exceed the limitations set forth under Chapter 135 of thirty percent (30%) of total assets.

The bank will secure all public deposits at the bank's option under either Section 135.18 or Section 135.182 in an amount sufficient to meet the requirements of Chapter 135. It is understood that the bank may substitute securities held in the pooled pledge authorized by Section 135.182 as it chooses so long as the pool is adequate to secure the public funds on deposit.

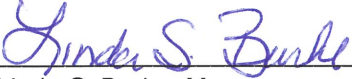
The bank may choose to secure public funds deposits with an approved line of credit but will do so only after executing an additional agreement with the depositor.


On the last business day of each month during the period that any funds awarded pursuant to this agreement are on deposit with the bank, the bank will furnish a statement showing the balance of such active monies in its possession. The bank may charge a reasonable fee for providing monthly statements under this agreement.

The bank agrees that it will comply with all the requirements of the Ohio Revised Code, Chapter 135 and any amendments thereto. The bank also further agrees that it will abide by any state and federal laws, rules or regulations or any amendments thereunder. If any such laws, rules or regulations are changed or amended during the terms of the designation as public depository, and if the change of laws, rules or regulations will cause the agreement to become unlawful, at the bank's option, this agreement shall be limited so as not to extend beyond the date when such change becomes effective.

As part of this agreement, the depositor agrees to be subject to the rules which govern the accounts in which the depositor's funds are deposited. Also, the depositor agrees to provide the bank the names and signatures of those persons authorized to execute drafts on and to make withdrawals from the accounts, and to provide such documentation establishing these persons authority as the bank may request.

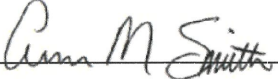
South Lebanon Corporation

By: 
Linda S. Burke, Mayor

By: 
Tina Williams, Director of Finance


LCNB National Bank

By:  EVP/COO

By:  SVP

Approved as to form:

Chase Kirby
Law Director
City of South Lebanon

By: 

Date: 6-4-26

(NOT FOR USE WITH COUNTY FUNDS)
FOR USE WITH ACTIVE DEPOSITS (R.C. 135.10)
INTERM DEPOSITS (R.C. 135.08 & .09)
INACTIVE DEPOSITS (R.C. 135.06 & 07)

LCNB CORP. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited, dollars in thousands)

	December 31, 2025 Unaudited	December 31, 2024 Audited
ASSETS:		
Cash and due from banks	\$ 18,353	20,393
Interest-bearing demand deposits	3,261	15,351
Total cash and cash equivalents	21,614	35,744
Interest-bearing time deposits	2,710	250
Investment securities:		
Equity securities with a readily determinable fair value, at fair value	1,433	1,363
Equity securities without a readily determinable fair value, at cost	3,666	3,666
Debt securities, available-for-sale, at fair value	232,271	258,327
Debt securities, held-to-maturity, at cost, net of allowance for credit losses of \$11 and \$5 at December 31, 2025 and December 31, 2024, respectively	16,080	16,324
Federal Reserve Bank stock, at cost	6,405	6,405
Federal Home Loan Bank stock, at cost	20,710	20,710
Loans held-for-sale	1,718	5,556
Loans, net of allowance for credit losses of \$13,704 and \$12,001 at December 31, 2025 and December 31, 2024, respectively	1,691,827	1,709,811
Premises and equipment, net	39,196	41,049
Operating lease right-of-use assets	6,475	5,785
Goodwill	90,310	90,310
Core deposit and other intangibles, net	9,271	11,104
Bank-owned life insurance	55,424	54,002
Interest receivable	7,968	8,701
Other assets, net	33,691	38,287
TOTAL ASSETS	\$ 2,240,769	2,307,394
LIABILITIES:		
Deposits:		
Noninterest-bearing	\$ 466,094	459,619
Interest-bearing	1,374,261	1,418,673
Total deposits	1,840,355	1,878,292
Long-term debt	104,428	155,153
Operating lease liabilities	6,877	6,115
Accrued interest and other liabilities	15,180	14,798
TOTAL LIABILITIES	1,966,840	2,054,358
COMMITMENTS AND CONTINGENT LIABILITIES	—	—
SHAREHOLDERS' EQUITY:		
Preferred shares – no par value, authorized 1,000,000 shares, none outstanding	—	—
Common shares – no par value; authorized 19,000,000 shares; issued 17,409,085 and 17,329,423 shares at December 31, 2025 and December 31, 2024, respectively; outstanding 14,193,577 and 14,118,040 shares at December 31, 2025 and December 31, 2024, respectively	188,212	186,937
Retained earnings	151,938	141,290
Treasury shares at cost, 3,215,508 and 3,211,383 shares at December 31, 2025 and December 31, 2024, respectively	(56,071)	(56,002)
Accumulated other comprehensive loss, net of taxes	(10,150)	(19,189)
TOTAL SHAREHOLDERS' EQUITY	273,929	253,036
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,240,769	2,307,394