

CITY HOLDING CO  
Form DEF 14A  
March 26, 2008

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March 26, 2008

To Our Shareholders:

On behalf of the Board of Directors, I cordially invite you to attend the Annual Meeting of Shareholders of City Holding Company to be held at The Resort at Glade Springs located at 255 Resort Drive, Daniels, WV 25832, on Wednesday, April 30, 2008 at 2:30 p.m.

The notice of meeting and proxy statement accompanying this letter describes the specific business to be acted upon.

In addition to the specific matters to be acted upon, there will be a report on the progress of the Company and an opportunity for questions of general interest to the shareholders. We hope that you will join us at this year's Annual Meeting and look forward to personally greeting those of you who are able to attend.

It is important that your shares be represented at the meeting. Whether or not you plan to attend the annual meeting, please vote your shares by: (1) accessing the Internet at the website included on the proxy card, (2) calling the toll-free number shown on the proxy card, or (3) completing, signing and returning the enclosed proxy card as soon as possible in the postage-paid envelope provided.

City Holding Company thanks you for your consideration and your continued support.

Sincerely,  
Philip L. McLaughlin  
Chairman of the Board

Charles R. Hageboeck  
President & CEO

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CITY HOLDING COMPANY  
25 Gatewater Road  
Post Office Box 7520  
Charleston, West Virginia 25356-0520

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
To Be Held April 30, 2008

Notice is hereby given that the Annual Meeting of Shareholders of City Holding Company will be held at The Resort at Glade Springs located at 255 Resort Drive, Daniels, WV 25832, on Wednesday, April 30, 2008 at 2:30 p.m. (local time) for the following purposes:

1. To elect five Class III directors to serve for a term of three years. The names of the nominees are set forth in the accompanying proxy statement.
2. To ratify the Board of Directors' appointment of Ernst & Young LLP as the independent registered public accounting firm for City Holding Company for 2008.
3. To transact such other business as may properly come before the meeting.

Shareholders of record at the close of business on March 20, 2008 are the only shareholders entitled to notice of and to vote at the annual shareholders meeting.

By Order of the Board of Directors,  
Victoria A. Faw,  
Secretary

March 26, 2008

IMPORTANT NOTICE

We urge you to sign and return the enclosed proxy as promptly as possible regardless of your plans to attend the meeting. If you attend the meeting, you may vote your shares in person, even though you have previously signed and returned your proxy.

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CITY HOLDING COMPANY  
25 Gatewater Road  
Charleston, West Virginia 25356-0520

## PROXY STATEMENT

### Information Concerning the Solicitation

This statement is furnished in connection with the solicitation of proxies to be used at the Annual Meeting of Shareholders of City Holding Company (the “Company”) to be held on April 30, 2008.

The solicitation of proxies in the enclosed form is made on behalf of the Board of Directors of the Company. The cost of preparing, assembling, and mailing the proxy material and of reimbursing brokers, nominees, and fiduciaries for the out-of-pocket and clerical expenses of transmitting copies of the proxy material to the beneficial owners of shares held of record by such persons will be borne by the Company. The Company does not currently intend to solicit proxies otherwise than by use of the mail, but certain officers and regular employees of the Company or its subsidiaries, without additional compensation, may use their best efforts, by telephone or otherwise, to obtain proxies. The proxy materials are being mailed, on or about March 26, 2008, to shareholders of record at the close of business on March 20, 2008 (the “Record Date”).

### Annual Report

The Company’s Annual Report for the fiscal year ended December 31, 2007, is being furnished with this Proxy Statement to shareholders of record on the Record Date. The Annual Report to Shareholders does not constitute a part of this Proxy Statement or the proxy solicitation material.

### Householding

The Securities and Exchange Commission (“SEC”) has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single proxy statement addressed to those shareholders. This process is commonly referred to as “householding.”

The Company has implemented “householding” in an effort to reduce the number of duplicate mailings to the same address. This process benefits both shareholders and the Company, because it eliminates unnecessary mailings delivered to your home and helps to reduce the Company’s expenses. “Householding” will not be used, however, if the Company has received contrary instructions from one or more of the shareholders sharing an address. We will continue to “Household” indefinitely until you instruct us otherwise. You may notify the Company that you would like to receive separate copies of the Company’s annual report and proxy statement in the future by calling Computershare Investor Services, LLC at 1-800-568-3476, or by mail to the attention of City Holding Company, c/o Computershare Investor Services, LLC, P. O. Box 43078, Providence, RI 02940-3078. Even if your household receives only one annual report and one proxy statement, the Company will continue to send a separate proxy card for each shareholder residing at your address. Please note, however, that if you also hold shares of the Company in “street name” (e.g., in a brokerage account or retirement plan account) you may continue to receive duplicate mailings.

### Voting Methods

The accompanying proxy is for use at the Annual Meeting if a shareholder either will be unable to attend in person or will be able to attend but wishes to vote by proxy. Shares may be voted by completing the enclosed proxy card and mailing it in the postage-paid envelope provided, voting over the Internet, or using a toll-free telephone number. Please refer to the proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available. (If your shares are held in the name of a bank, broker or other holder of record, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote at the meeting.) Shareholders who vote over the Internet may incur costs, such as telephone and Internet access charges, for which the shareholder is responsible. The Internet and telephone voting facilities for eligible shareholders of record will close at 6:00 a.m., Eastern Time, on April 30, 2008. Specific instructions to be followed by any shareholder interested in voting via the Internet or telephone are shown on the enclosed proxy card. The Internet and telephone voting procedures are designed to authenticate the shareholder's identity and to allow shareholders to vote their shares and confirm that their instructions have been properly recorded. In the event that a shareholder's proxy does not reference Internet or telephone information because the shareholder is not the registered owner of the shares, the shareholder should complete and return the paper proxy card in the self-addressed, postage-paid envelope provided.

The proxy may be revoked at any time before the shares subject to it are voted by (i) notifying, in writing, Victoria A. Faw, Corporate Secretary, City Holding Company, P. O. Box 7520, Charleston, WV 25356-0520, (ii) executing a proxy bearing a later date (including a proxy given over the Internet or by telephone), or (iii) voting in person at the Annual Meeting the shares represented by the proxy. (Your attendance at the Annual Meeting will not, by itself, revoke your proxy; you must vote in person at the Annual Meeting.) All shares of the Company's common stock (the "Common Stock") represented by valid proxies received pursuant to this solicitation, and not revoked before they are exercised, will be voted in the manner specified therein. If no specification is made, the proxies will be voted FOR proposals 1, 2, and 3. If any other matters are properly presented for consideration at the Annual Meeting, the persons named as proxies and acting thereunder will have discretion to vote on those matters according to their best judgment to the same extent as the person delivering the proxy would be entitled to vote. At this time, the Company is not aware of any other matters that may come before the Annual Meeting.

#### Outstanding Voting Shares

Only shareholders of record at the close of business on March 20, 2008 are entitled to vote at the Annual Meeting. On that day, there were issued and outstanding 16,218,225 shares of Common Stock (after deducting an aggregate of 2,298,057 shares held in treasury). Each share has one vote. Directors are elected by a plurality of the votes cast. The affirmative vote of a majority of the shares represented and entitled to vote at the Annual Meeting is required to approve the appointment of Ernst & Young LLP. In elections of directors, each shareholder shall have the right to cast one vote for each share of stock owned by him for as many persons as there are directors to be elected, or, upon notice to the Company at least 48 hours before the meeting and in accordance with West Virginia law, he may cumulate such votes and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares of stock, or he may distribute them on the same principle among as many candidates and in such manner as he shall desire. If one shareholder duly gives notice in accordance with West Virginia law that he intends to cumulate votes, all shareholders may do so. If any shares are voted for the election of directors, the persons named in the accompanying proxy card may, unless otherwise directed, cumulate their votes at their discretion and vote for less than all such nominees. For all other purposes, each share is entitled to one vote.

The presence, in person, or by properly executed proxy, of the holders of a majority of the outstanding shares of the Company's Common Stock entitled to a vote at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. Abstentions will be counted as shares present for purposes of determining the presence of a quorum. Because director nominees must receive a plurality of the votes cast at the meeting, a vote withheld will not affect the outcome of the election. Additionally, because a majority of the votes cast will be sufficient for the approval of the ratification of the appointment of Ernst & Young LLP, neither broker non-votes nor abstentions will affect the outcome of the proposals. Any shares held in street name that are not voted ("broker non-votes") in the election of directors or the proposal to ratify the Company's appointment of Ernst & Young LLP will not be included in determining the number of votes cast.

#### COMMON STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The Company's only authorized voting equity security is its Common Stock, par value \$2.50 per share.

## Beneficial Ownership of Directors and Named Executive Officers

The table below presents certain information as of March 1, 2008 regarding beneficial ownership of shares of Common Stock by directors, named executive officers listed under "Executive Officers of City Holding Company" on page 11, and all directors and executive officers as a group.

BENEFICIAL OWNERSHIP					
Name of Beneficial Owner	Sole Voting and Investment Power (#)	Other (1) (#)	Common Shares Subject to a Right to Acquire (2) (#)	Aggregate Percentage Owned (%)	CHCO Shares Held as Collateral for Loans (#)
Directors					
Hugh R. Clonch (3)	20,777	91,984	-	*	75,812
Oshel B. Craigo	11,500	2,912	-	*	-
John R. Elliot	4,400	-	-	*	-
William H. File III	14,526	999	-	*	-
Robert D. Fisher (3)	13,697	-	-	*	-
Jay C. Goldman (3)	13,718	-	-	*	-
Charles R. Hageboeck (3)	17,668	9,204	52,000	*	-
David W. Hambrick	36,067	3,533	-	*	-
Tracy W. Hylton II	19,349	-	-	*	-
C. Dallas Kayser	17,229	515	-	*	-
Philip L. McLaughlin (3)	31,851	16,269	-	*	1,210
James L. Rossi	11,259	-	-	*	-
Sharon H. Rowe	31,161	8	-	*	10,000
James E. Songer II	8,319	64,129	-	*	-
Mary H. Williams	8,501	56,740	-	*	-
Named Executive Officers					
David L. Bumgarner	2,500	1,483	12,500	*	-
Craig G. Stilwell	19,513	1,267	28,000	*	-
John A. DeRito	2,700	-	18,000	*	-
John W. Alderman III	4,250	2,603	4,500	*	-
Directors and Executive Officers as a group (19 persons)					
	288,985	251,646	115,000	4.04%	87,022

\* Less than 1%.

(1) Includes shares (a) owned by or with certain relatives; (b) held in various fiduciary capacities; (c) held by certain corporations; (d) held in trust under the Company's 401(k) Plan and Trust.

(2) Includes options to acquire shares of the Company's Common Stock that are exercisable within 60 days of December 31, 2007.

(3) Messrs. Clonch, Fisher, Goldman, Hageboeck and McLaughlin are nominees for re-election to the Board of Directors as Class III directors.



## GOVERNANCE AND NOMINATING COMMITTEE REPORT

The Governance and Nominating Committee of the Board of Directors (the “Governance Committee”) is comprised of seven independent directors and operates under a written charter adopted by the Board of Directors. The Governance Committee is charged with the responsibilities of: (i) identifying individuals qualified to become Board members; (ii) selecting or recommending that the Board select the director nominees for the next annual meeting of shareholders; and (iii) overseeing corporate governance matters for the Company.

Director candidates are nominated by the Governance Committee. The Governance Committee will consider director candidates recommended by shareholders (see “Shareholders Proposals and Nominations” on page 25, other members of the Board, officers and employees of the Company and other sources that the committee deems appropriate. The Governance Committee’s written charter directs the committee to evaluate the candidates based upon the totality of the merits of each candidate and not based upon minimum qualifications or attributes. In considering individual nominees, the committee takes into account the qualifications of other Board members to ensure that a broad variety of skill sets and experience beneficial to the Company and its business are represented on the Board of Directors. The Governance Committee evaluates all director candidates in the same manner regardless of the source of the recommendation. Some of the criteria used by the committee to evaluate the candidates, including those selected for nomination at the 2008 Annual Meeting, include:

- § Personal and professional integrity
- § Prior business experience, including knowledge of the banking business
- § Education
- § Age
- § Skills that may be relevant to the Company’s business
- § Geographic distribution of the candidates
- § Prior Board experience with the Company or other publicly-traded companies
- § Involvement in community, business and civic affairs

The Governance Committee is also empowered to retain and to terminate outside advisors to assist in the performance of its functions with the sole authority to agree to fees and other terms of engagement. The committee did not hire any outside advisors to assist them with respect to the selection of candidates for director nominations in 2008.

The Governance Committee has nominated for election as Class III directors, all of whom currently serve as Class III directors of the Company: Hugh R. Clonch, Robert D. Fisher, Jay C. Goldman, Charles R. Hageboeck and Philip L. McLaughlin, to serve three year terms expiring at the 2011 Annual Meeting. The Governance Committee received one or more recommendations from shareholders in connection with the Annual Meeting and, after due consideration, decided not to nominate the suggested persons.

Respectfully submitted,

Jay C. Goldman, Chairman

Hugh R. Clonch

Oshel B. Craigo

John R. Elliot

William H. File III

Robert D. Fisher

C. Dallas Kayser

February 26, 2008





ELECTION OF DIRECTORS (Proposal 1)