

**City Council
Agenda Memo**



**City Council Meeting Date:
April 23, 2015**

TO: David A. Vela, Interim City Manager
FROM: Mindy Patterson, Director of Finance
SUBJECT: Depository Contract with First Financial Bank

GENERAL INFORMATION

In accordance with state law, staff has advertised, and mailed a Request for Proposal to all banks expressing an interest within the City of Abilene, for the purpose of selecting a primary depository for commercial banking services. The contract is to be in effect for a period of five years commencing May 1, 2015 through April 30, 2020. Service cost will be fixed for the length of the contract. Two bids were received.

SPECIAL CONSIDERATIONS

First Financial Bank is the responsible bidder therefore; Chapter 131 of the Local Government Code places certain restrictions on the designating of depositories. If any member of the City Council owns or has beneficial interest, individually or collectively, of 10% or less in stock of First Financial Bank or serves as an officer or director of the bank, they **must abstain** on the voting of the resolution and **must not** take part in any discussions designating First Financial Bank as the depository.

FUNDING/FISCAL IMPACT

The tabulation of bids based on current activity for all required services requested and utilized at an estimated annual cost are as follows:

First Financial Bank.
\$0

BBVA Compass
\$28,122

STAFF RECOMMENDATION

Staff recommends the City Council approve the resolution designating First Financial Bank as primary depository and authorize the Interim City Manager to execute the contracts.

ATTACHMENT

1) Resolution

Prepared by: Name <u>Michael Rains</u> Title <u>Asst Director of Finance</u>	Item No. <u>6.2</u>	Disposition by City Council <input type="checkbox"/> Approved Ord/Res# <input type="checkbox"/> Denied _____ <input type="checkbox"/> Other _____ City Secretary
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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, DESIGNATING FIRST FINANCIAL BANK, AS THE PRIMARY DEPOSITORY FOR COMMERCIAL BANKING SERVICES AND APPROVING SECURITIES PLEDGED.

WHEREAS, on March 1, 2015 the City of Abilene caused to be published in the Abilene Reporter News, a daily newspaper published in the City of Abilene, a Notice of the Intention of the City Council to receive applications on March 27, 2015 for the designation of a primary depository for City funds in accordance with the Texas Local Government Code Annotated, Chapter 105, as amended; and,

WHEREAS, City Staff received two applications with the lowest estimated annual costs being provided by First Financial Bank; and

WHEREAS, based on the applications the City of Abilene believes it to be in the best interest of the City to select First Financial Bank as the primary depository for commercial banking services.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1: That First Financial Bank is hereby designated as primary depository for funds of said City for a term beginning May 1, 2015, and through April 30, 2020, provided however, that the administrative officials of the City are instructed to deposit such funds in such depository or other depositories so as to bring the best returns to the City , and are further instructed that it is not necessary nor is it the desire of the City Council to maintain any particular ratio of proportion of funds, nor any particular accounts in such depository or other depositories.

PART 2: That the Depository Contracts be and are hereby, in all things approved and the Interim City Manager be and is hereby authorized to negotiate and execute said Contract for and on behalf of the City of Abilene .

PART 3: That this resolution shall take effect immediately from and after its passage.

ADOPTED this 23rd day of April, A.D., 2015.

ATTEST:

CITY SECRETARY

MAYOR

APPROVED:

CITY ATTORNEY