<table>
<thead>
<tr>
<th>Subject:</th>
<th>Action Required:</th>
<th>Approved By:</th>
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<tbody>
<tr>
<td>An ordinance to amend Little Rock, Ark., Rev Code Chapter 2, Article VI, Financial Affairs, Division 2, Section 2-191 to extend the term of the banking services contract.</td>
<td>√ Ordinance Resolution Approval Information Report</td>
<td>Bruce T. Moore City Manager</td>
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</table>

**SYNOPSIS**

The ordinance would extend the banking services contract from every two (2) years with optional annual renewals, not to exceed two (2) renewals to every two (2) years with the option to renew for five (5) additional one (1)-year terms under the same terms and conditions. The proposed ordinance would extend the maximum term of the banking services contract from four (4) to seven (7) years. The ordinance would also extend the termination clause of the banking service contract to 180 days to allow for sufficient time to rebid for services and for the conversion to the new financial institution.

**FISCAL IMPACT**

None. The ordinance would provide more stability in the expenses and interest related to banking services.

**RECOMMENDATION**

Approval of the ordinance.

**CITIZEN PARTICIPATION**

N/A
The extension of the banking services contract would provide stability when budgeting for banking expenses and interest revenue by maintaining the same terms and conditions over a longer period. The City currently maintains over twenty (20) bank accounts. It is an extensive and cumbersome process to switch banking institutions because of already established Automatic Clearing House (ACH) vendor authorizations, established merchant credit card depository instructions and employee direct deposit agreements.

Arkansas Code 19-11-238. Multiyear Contracts. Arkansas State Law allows a contract for services not to exceed seven (7) years.