



**BACKGROUND**

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.