

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
NOVEMBER 17, 2015 AGENDA**

Subject:	Action Required:	Approved By:
<p>A resolution awarding the Banking Services Contract for up to seven (7) years to First Security Bank</p> <p>Submitted by:</p> <p>Finance Department</p>	<p style="text-align: center;">Ordinance √ Resolution Approval Information Report</p>	<p style="text-align: center;">Bruce T. Moore City Manager</p>
<p style="text-align: center;">SYNOPSIS</p> <p style="text-align: center;">FISCAL IMPACT</p> <p style="text-align: center;">RECOMMENDATION</p> <p style="text-align: center;">CITIZEN PARTICIPATION</p> <p style="text-align: center;">BACKGROUND</p>	<p>The resolution awards the Banking Services Contract to First Security Bank for calendar years 2016 and 2017 with the option to extend the Banking Services Contract through December 31, 2022.</p> <p>The banking services contract provides the lowest net cost to the City.</p> <p>Approval of the resolution.</p> <p>N/A</p> <p>The City's current Banking Services Contract with First Security Bank expires on December 31, 2015. Accordingly, staff prepared a Request for Proposal, which included a list of required services, and on September 20, 2015, sent it to financial institutions located within Little Rock.</p> <p>A six (6)-member staff committee evaluated the response based upon costs, investment earnings, community reinvestment, direct investment in Little Rock, and personnel, and the committee recommends First Security Bank.</p>	

**BACKGROUND
CONTINUED**

Under First Security Bank's proposal, the estimated annual cost of banking services is \$50 for an annual lock box. On interest rates, First Security's bid listed a floor of 0.53% to a ceiling of 1.38% for the two (2)-year period. Based upon expected interest earnings on cash balances and estimated banking services, First Security Bank provided favorable terms.