

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

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**BOARD OF DIRECTORS COMMUNICATION  
AUGUST 16, 2022 AGENDA**

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| <p><b>Subject:</b></p> <p>A resolution to award a Banking Services Contract to First Security Bank for up to seven (7) years.</p> <p><b>Submitted By:</b></p> <p>Finance Department</p> | <p><b>Action Required:</b></p> <p style="text-align: center;">Ordinance<br/>√ <b>Resolution</b></p> | <p><b>Approved By:</b></p> <p style="text-align: right;">Bruce T. Moore<br/>City Manager</p> |
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| <p style="text-align: center;"><b>SYNOPSIS</b></p> <p style="text-align: center;"><b>FISCAL IMPACT</b></p> <p style="text-align: center;"><b>RECOMMENDATION</b></p> <p style="text-align: center;"><b>BACKGROUND</b></p> | <p>A resolution to authorize the City Manager to execute an agreement with First Security Bank for calendar years 2023 and 2024 with the options to extend the Banking Services Contract through December 31, 2029.</p> <p>The Banking Services Contract provides the lowest net cost to the City.</p> <p>Approval of the resolution.</p> <p>The City’s current Banking Service Contract with First Security Bank expires on December 31, 2022. Accordingly, staff prepared a Request for Proposals, which included a list of required services, and sent it out on April 29, 2022, to financial institutions located within the City of Little Rock.</p> <p>A five (5)-member staff committee evaluated the responses based upon costs, investment earnings, community reinvestment, direct investment in Little Rock and personnel. As a result of the evaluation, the committee recommends First Security Bank.</p> <p>Under First Security Bank’s proposal, the estimated annual cost of banking services is zero (\$0). On interest rates, First Security’s bid listed a floor of 0.38% to a ceiling of 1.47% for the two (2)-year period.</p> |
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**BACKGROUND**  
**CONTINUED**

Based upon expected interest earnings on cash balances and estimated banking services, First Security Bank provided favorable terms.