



STAFF REPORT

MEETING DATE: December 10, 2024

TITLE:

Consider and act on Resolution No. R-2024-177, approving and authorizing the issuance of a Request for Proposals (RFP) for Banking Services, as attached in Exhibit "A"; providing for a repealing clause; and establishing an effective date.

AGENDA ITEM SUBMITTED BY:

Edi McIlwain, Chief Financial Officer

BACKGROUND/HISTORY:

At the December 11, 2018, City Council Meeting, the City Council approved a Depository and Banking Services Agreement with First National Bank of Bastrop. This term became effective on January 1, 2019, and ends on December 31, 2024. An extension of services has been requested to be approved by the Council to provide for the opportunity for the issuance of a Request for Proposal (RFP) for depository and banking services to be issued before the expiration of the agreement.

The City of Bastrop, Texas, will solicit proposals for a Depository and Banking Services Agreement pursuant to Chapter 105 of the Texas Local Government Code. This chapter states that the designated officer shall present the specifications of each application to the governing body, which will select a depository.

Due to banking regulations, public funds are costlier and less desirable to banks. Public funds require collateralization, fluctuating balances, and high service demands. The only funds the City of Bastrop keeps in the depository are operating funds. All excess liquidity is transferred to the higher-yield investment options with other entities

FISCAL IMPACT:

None

RECOMMENDATION:

Authorize the Chief Financial Officer to issue an RFP for banking services.

ATTACHMENTS:

1. Resolution No. R-2024-177
2. Draft Request for Proposals for Banking Services