

**CONTRACTS-DISCUSS, CONSIDER, AND/OR APPROVE AWARDING A DEPOSITORY CONTRACT OR MULTIPLE CONTRACTS FOR THE CITY OF BAY CITY AND AUTHORIZE THE CITY MANAGER TO EXECUTE A DEPOSITORY CONTRACT IN A FORM APPROVED BY THE CITY ATTORNEY.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

The City awarded a depository contract to IBC on September 28, 2017 for a period of three (3) years, beginning October 1, 2017 and ending September 30, 2020. IBC continues to collateralize the City's deposits until another Depository is selected.

The City added a second depository contract with Prosperity Bank that commenced on March 1, 2018 that expires on February 28, 2021 with options to extend. This additional depository was used to satisfy investment safekeeping needs as required by the Public Funds Investment Act.

The Request for Proposals were advertised on December 30, 2020 and January 6, 2021. The City received 2 proposals (IBC and Prosperity). The new contract is anticipated to commence March 1, 2021. The term is 3 years with options to extend.

*Investment Training Instructors have promoted more than one banking depository to assure complete safety and liquidity of all City funds and to help maximize investment earnings. This is just a note to clarify the agenda language and not to be construed as the Selection Committee recommendation.*

**RECOMMENDATION:** Staff will review highlights of proposals and make a recommendation at the night of the meeting.

**ATTACHMENTS:** Sample Depository Contract