



Legislation Details (With Text)

File #:	20-3782	Version:	1	Name:	Resolution - A Resolution Authorizing the Bank Depository Contract.
Type:	Resolution	Status:		Status:	Passed
File created:	9/18/2020	In control:		In control:	City Council
On agenda:	9/28/2020	Final action:		Final action:	9/28/2020
Title:	Resolution - A Resolution Authorizing the Bank Depository Contract				
Sponsors:	Peter Phillis, Bryan Rebel				
Indexes:					
Code sections:					
Attachments:	1. Resolution, 2. Matrix, 3. Fee Schedule				

Date	Ver.	Action By	Action	Result
9/28/2020	1	City Council	Approved	Pass

Resolution - A Resolution Authorizing the Bank Depository Contract

Approve the resolution accepting the bid for the City’s Depository Services between the City of Mansfield, Texas and JPMorgan Chase.

Approve a Resolution allowing JPMorgan Chase to provide depository services for the City of Mansfield, Texas.

Chapter 105 of the Texas Local Government Code addresses the establishment of a Depository for municipal funds. The purpose of the Chapter is to protect, guard and establish the relationship between a financial institution and a Municipality.

The City of Mansfield, Texas has requested proposals for Depository Services from several banks with branch offices located within the City of Mansfield, Texas. The City received proposals from JPMorgan Chase, Frost Bank and American National Bank. The sealed proposals were received on August 13, 2020.

As a part of the Government Finance Officers Association’s Recommended Practices and compliance with Chapter 105 of the Texas Local Government Code, the City of Mansfield, Texas periodically initiates a request for proposals and for major banking services which include service fees, earnings credit rates, and other banking services. Chapter 2256 of the Texas Local Government Code states that the single most important objective in investing government funds shall be the preservation and safety of principal. The purpose is to create a competitive market environment for controlling costs while safeguarding and protecting the assets of the City’s Treasury.

Costs are a major consideration in evaluating the proposals. JPMorgan Chase has the lowest net service costs. Other factors include number of branches, capital strength, and the technological platform available to the City to manage its daily banking activity. The economy is very uncertain and is expected to be uncertain over the next several years. The Federal Reserve has stated publicly that they will hold interest rates near zero over the next three years. This statement was made by the Federal Reserve to try to build certainty within the economy. JPMorgan Chase has the capital strength to move through this

period of uncertainty. Frost and American National Bank are well managed banks. JPMorgan Chase and Frost are publicly traded while American National Bank is privately held.

For these reasons, staff has determined that JPMorgan Chase is the best solution for a depository for the City of Mansfield, Texas.

General Fund

Peter Phillis, CPA, Deputy City Manager
817-276-4261

Bryan Rebel, Assistant Director of Business Services
817-276-4296

Maria Belloti, CPA, Chief Accountant
817-276-4257