

**RESOLUTION NO. 2013-05-\_\_\_ (R)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY,  
TEXAS, AUTHORIZING THE EXTENSION OF THE BANK DEPOSITORY  
CONTRACT WITH AMERICAN NATIONAL BANK FOR A ONE YEAR  
PERIOD ENDING JUNE 30, 2014**

**WHEREAS,** The City Council is authorized to extend the City of McKinney's depository bank contract with American National Bank for a period of one year to include mutually agreed upon provisions, and

**WHEREAS,** All pertinent requirements comply with Section 110 of the City of McKinney City Charter and Section 105.017 of the Local Government Code;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:**

Section 1. The City Council of the City of McKinney, Texas hereby approves the extension of the American National Bank Depository contract for a one year period ending June 30, 2014.

Section 2. This Resolution shall take effect immediately from and after the date of passage and is so resolved.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ON 21st DAY OF MAY, 2013**

CITY OF MCKINNEY, TEXAS

\_\_\_\_\_  
BRIAN LOUGHMILLER  
Mayor

ATTEST:

\_\_\_\_\_  
SANDY HART, TRMC, MMC  
City Secretary  
BLANCA I. GARCIA  
Assistant City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
MARK S. HOUSER  
City Attorney

## Depository Services Extension Agreement

This agreement is between the City of McKinney, hereinafter referred to as the CITY, whose address is 222 N. Tennessee Street McKinney, Texas 75070, and The American National Bank of Texas, hereinafter referred to as ANB, whose principle office for the purpose of this Agreement is located at 2851 South Central Expressway, McKinney, Texas 75070.

**Purpose** – The purpose of this Agreement is to state the terms and conditions under which ANB will continue to serve as depository and provide banking services for the CITY.

**Services** – ANB will perform the services required by the CITY as noted in the proposal submitted March 12, 2009. All contract terms remain as stated in this proposal with the exception of the items noted below.

**With an average of \$20 million in Collected Non-Interest bearing compensating balances, ANB will provide all banking services free of charge. This includes a continuance of a waiver of all safekeeping fees.** Note: If balances do not meet the compensating requirement, the fees listed in Exhibit B will apply. This fee waiver covers all services except: Payroll Cards, Merchant and Lockbox services.

Balances kept in an investment account above the compensating threshold will receive the ANB Public Fund Money Market Rate plus 15 bp (total currently 0.20%). This rate is guaranteed to go no lower during the term of the extension. **Maximum investment balance not to exceed \$30 million.**

ANB shall further provide such banking services related to the scope of this Agreement but not specifically listed herein and at such reasonable prices as may be mutually agreed upon in writing between ANB and the CITY.

**Term** – This Agreement is effective from July 1, 2013 to June 30, 2014. This agreement allows for an additional one year continuation, subject to the mutual agreement of both parties.

Both parties further agree that in the event a different bank is selected to provide depository services for the year following the expiration of this Agreement, ANB will assist in the transition and provide depository services as the CITY may request in the same manner and at the same cost as provided in this Agreement, for a period up to 90 days after the expiration of this Agreement.

Should either the CITY or ANB breach the terms of this Agreement or default on any of its obligations hereunder, this Agreement may be terminated by the non-breaching party for cause upon 30 days written notice to the other party.

**Notices** – Any notices to be given hereunder by either party to the other may be effected, in writing, either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the address of the parties as they appear in the initial paragraph of this Agreement, but each party may change this address by written notice in accordance with this paragraph.

**Compliance with Applicable Statutes, Ordinances and Regulations** – In performing the services required under this Agreement, ANB shall comply with all applicable Federal, State, and local laws, ordinances and regulations.

CITY time and demand deposits, inclusive of interest, in excess of the Federal Deposit Insurance Corporation insurance shall be secured at all times by collateral in accordance with the Public Funds Collateral Act (Texas Government Code 2257), pledged by ANB and held in trust by its custodian (FHLB – Dallas). ANB will maintain pledged balances in an amount equal to at least 102% of the total CITY deposits. A monthly report will be provided to the CITY.

**Assignments** – Neither party shall assign this Agreement or any interest of obligation hereunder without prior written consent of both parties.

Miscellaneous – This instrument contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assigned. Any oral representations or modifications concerning this Agreement shall be of no force or effect except through a subsequent modification in writing signed by both parties.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and successors.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not be construed as if such invalid, illegal or unenforceable provisions had never been contained.

For the CITY:

By: \_\_\_\_\_

Name: Jason Gray

Title: City Manager

For ANB:

By: \_\_\_\_\_

Name: Chris M. Cronin

Title: Executive Vice President