City of Dublin

Office of the City Manager
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Memo

To: Members of Dublin City Council

From: Marsha I. Grigsby, City Manager

Date: September 6, 2012

Initiated By: Stephen A. Sova, Director of Accounting & Auditing

Re: Ordinance No. 51-12 - Designating Eligible Financial Institutions as Public Depositories

Background

Section 135.12 of the Ohio Revised Code requires governmental entities to designate individual financial institutions as depositories of public monies for a period not to exceed five years. The City of Dublin's current depository agreements with various local banks expire on October 31, 2012. This ordinance authorizes new depository agreements for the period November 1, 2012 to October 31, 2017.

Banks with branches located in the City of Dublin have submitted applications to be considered as eligible depositories for active and interim deposits. Active deposits (those needed to support daily operations) are currently held at JP Morgan Chase Bank and PNC Bank. Periodically, the City invests interim deposits (amounts not needed immediately to support daily operations) in certificates of deposit or similar time deposits. Such amounts are awarded to the bank offering the best and most advantageous terms at the time of investment.

Over the upcoming months, Staff will be undertaking a review of the fees that are charged by City's primary bank, JP Morgan Chase, to ensure they are competitive with other banks in the market offering similar services.

Recommendation

Staff recommends adoption of Ordinance No. 51-12 at the second reading/public hearing on September 24, 2012, to be effective (30) thirty days later.

RECORD OF ORDINANCES

Dayton Legal Blank, Inc. Form No. 30043

Ordinance No. 51-12 *Passed* _____, *20*____

AN ORDINANCE DESIGNATING ELIGIBLE FINANCIAL INSTITUTIONS AS PUBLIC DEPOSITORIES

WHEREAS, Section 135.01 (L) of the Ohio Revised Code provides that any municipal corporation which has adopted a charter may, by ordinance, set forth special provisions for the deposit or investment of its public monies; and

WHEREAS, the electors of the City of Dublin have adopted a charter, and the charter provides that legislation may be adopted to establish policy for the investment of the City's monies; and

WHEREAS, Section 135.12 of the Ohio Revised Code provides that designations of eligible depositories extend for a period of time not exceeding five years in length; and

WHEREAS, the City of Dublin has received applications for deposit of active and interim monies from various eligible financial institutions.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring:

Section 1. The following eligible financial institutions be designated as public depositories of the City of Dublin's public monies for a five year period from November 1, 2012 through October 31, 2017.

Financial Institution	Maximum Balance Active Deposits	Maximum Balance Interim Deposits
JP Morgan Chase Bank	aggregate of both active and interim not to exceed the Ohio Revised Code Section 135.03 maximum limit.	
Citizens Bank	aggregate of both active and interim not to exceed the Ohio Revised Code Section 135.03 maximum limit.	
Emerald Bank of Dublin	aggregate of both active and interim not to exceed $1,000,000.	
Fifth Third Bank	$20,000,000	$3,000,000
Heartland Bank	-0-	$3,000,000
Huntington National Bank	$5,000,000	$5,000,000
Key Bank National Association	aggregate of both active and interim not to exceed $50,000,000.	
PNC Bank	aggregate of both active and interim not to exceed the Ohio Revised Code Section 135.03 maximum limit.	
U.S. Bank	$100,000,000	$100,000,000

Section 2. The City Manager and Director of Finance are authorized and directed to enter into the agreements necessary to implement this ordinance.

Section 3. This Ordinance shall take effect and be in force on the earliest date permitted by law.

Passed this _____ day of _____, 2012

_____
Mayor - Presiding Officer

ATTEST:

_____
Clerk of Council