



Legislation Text

File #: 16-0507, **Version:** 1

Discussion and action on Savings Accounts

SUMMARY: A local bank, First Bank, has asked the city to deposit some of the extra money in the general fund in their bank. This bank would pay us the same interest rate that the city gets from the Local Government Investment Pool (LGIP). At this time, all of the city's reserve moneys are held in LGIP.

LGIP is easy to get and transfer at any time. The bank says they will be the same. The bank is a member of the Tennessee State Collateral Pool. This means that the bank will not have to put up additional collateral for any money we deposit over FDIC insurance.

The bank's position is that they can use the money to loan here locally and help the community.

BUDGET ACCOUNT: none

NECESSARY COUNCIL ACTION: Approve maximum amount to deposit at First Bank.