

**CITY OF LA VISTA
COUNCIL POLICY STATEMENT**

**DEPOSIT OF CITY FUNDS AND LIMITATIONS
IN ANY ONE BANK**

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In order to protect the liquidity and security of City funds, it shall be the policy of the City Council of the City of La Vista to establish the following limitations upon deposits of the City in any one bank.

1. That no funds of the City shall be deposited in any bank not insured by the Federal Deposit Insurance Corporation (FDIC).
2. That the total of all types of deposits (including both funds directly deposited by the City and indirectly to the County) in any one bank do not exceed the lesser of the following amounts:
 - a) The total amount of the paid-up capital stock surplus of the bank, or
 - b) 50% of an amount representing the total of 5% of the savings and time deposits held by the bank and 15% of its demand deposits.

Such computation shall be based upon a monthly statement supplied by those banks with which the City directly or indirectly deposits its funds. Such report shall be required to show the total savings and time deposits held by the bank and also its total demand deposits of the preceding month.

Furthermore, it shall be the policy of the City Council that the liquidity of the City's total direct and indirect deposits shall be reviewed on a monthly basis by the City Treasurer.

In the event the City's direct/indirect deposits shall exceed the computations generated by the application of the aforementioned percentages, the City Treasurer shall, with the advise of the City Administrator, take the action deemed necessary and proper to correct the imbalance.

3. In addition to the foregoing provisions dealing with liquidity, the City Treasurer shall also require compliance with all statutory requirements as to collateralization of account balances and other types of deposits exceeding FDIC insurance coverage applicable thereto.