


**Madison County
Comptroller**

Memo

To: Madison County Board of Supervisors
From: Na'Son S. White 
cc: None
Date: November 17, 2022
Re: Depository Advertisement Approval

Mississippi Code 27-105-305 requires MS counties to give notice to all financial institutions in its county whose accounts are insured by the Federal Deposit Insurance Corporation (or any successor thereto), by publication, that bids will be received from financial institutions at the following January meeting, or some subsequent meeting, for the privilege of keeping the county funds. I am seeking approval for the Chancery Clerk, Ronny Lott, to advertise for depository bids for a two-year period.

INVITATION FOR BID

Notice is hereby given that the Madison County Board of Supervisors will receive sealed bids in the Office of the Chancery Clerk, Rooms 225-228, located on the second floor of the Chancery/Administrative Building, 125 West North Street, Canton, Madison County, Mississippi until 10:00 a.m., Tuesday, January 3, 2023.

NOTICE TO PROSPECTIVE DEPOSITORIES

In accordance with 27-105-305 of the Mississippi Code of 1972, as amended, the Madison County Board of Supervisors will receive sealed bids or proposals from all financial institutions in Madison County, Mississippi, which desire to qualify for the privilege of keeping County funds in their respective banks. Bids need to include the rate of interest on checking accounts and all other services provided as the financial institutions may make for the privilege of keeping the County funds, or any part thereof. The rates quoted must include a fixed rate, guaranteed for a period of two (2) years from and after January 1, 2023. The bids or proposals shall designate the kind of security as authorized by law which financial institutions propose to give as security for funds.

Bids or proposals must be marked on the outside of the envelope as **“BID-COUNTY DEPOSITORY.”** The financial institutions are required to present proposals for a two-year term.

The Board of Supervisors reserves the right to reject any and all bids. Published by order of the Board of Supervisors of Madison County, Mississippi, dated this the 21st day of November, 2022.

/s/Ronny Lott
Chancery Clerk
Run: December 8 and December 15, 2022.

Miss. Code Ann. § 27-105-305

Current through 2022 Regular Session legislation including changes and corrections made by the Joint Legislative Committee on Compilation, Revision and Publication of Legislation.

Mississippi Code 1972 Annotated > Title 27. Taxation and Finance (Chs. 1 — 117) > Chapter 105. Depositories (Arts. 1 — 3) > Article 3. Depositories for Funds of Local Governments. (§§ 27-105-301 — 27-105-371)

§ 27-105-305. Publication for bids to keep county funds; content of bids; acceptance of bid; election by board of supervisors to submit certain bids to State Treasurer to determine acceptance of bid; authority of State Treasurer upon receipt of bids from board of supervisors.

The board of supervisors at the regular December 1997 meeting, and annually thereafter or, in the discretion of the board of supervisors, thereafter at such other interval of time as determined by the board of supervisors, but no less frequently than every four (4) years, shall give notice to all financial institutions in its county whose accounts are insured by the Federal Deposit Insurance Corporation (or any successor thereto), by publication, that bids will be received from financial institutions at the following January meeting, or some subsequent meeting, for the privilege of keeping the county funds, or any part thereof, which notice shall refer by name to this article and it shall not be necessary to incorporate in the notice the provisions of this article; and at the January meeting, or a subsequent meeting as may be designated in the notice, as the case may be, the board of supervisors shall receive such bids or proposals as the financial institutions may make for the privilege of keeping the county funds, or any part thereof. The bids or proposals shall designate the kind of security as authorized by law which the financial institutions propose to give as security for funds, and the board shall cause the county funds and all other funds in the hands of the county treasurer to be deposited in the qualified financial institution or qualified institutions proposing the best terms, taking into consideration all material aspects of the proposal, including, but not limited to, net earnings, account costs, costs of transfer of accounts from existing depositories, banking services provided and other service considerations, and meeting the requirements provided in Section 27-105-315, having in view the safety of such funds. However, if a bank submits a bid or offer to the board of supervisors to act as a depository for the county and the bid or offer, if accepted, would result in a contract in which a member of the board of supervisors would have a direct or indirect interest, the board of supervisors may elect to not open or consider any bids received and submit the matter to the State Treasurer. Upon receipt of the bids received from the board of supervisors, the State Treasurer shall open and consider the bids received, select a depository or depositories, make all decisions and take any action within the authority of the board of supervisors under this section relating to the selection of a depository or depositories, including:

- (a) The selecting and opening of accounts;
- (b) Approval of securities;
- (c) The transfer and deposit of funds between depositories; and
- (d) All other related functions.

If the board of supervisors elects to open and consider the bids or offers, it shall not open or consider any bid which, if accepted, would result in a contract in which a member of the board of supervisors would have a direct or indirect interest.

History

Codes, Hemingway's 1917, § 4235; 1930, § 4341; 1942, § 9145; Laws, 1914, ch. 257; Laws, 1926, ch. 248; Laws, 1985, ch. 514, § 9; Laws, 1988, ch. 473, § 7; Laws, 1997, ch. 435, § 1; Laws, 2012, ch. 338, § 1, eff from and after passage (approved Apr. 16, 2012); Laws, 2021, ch. 471, § 1, eff from and after July 1, 2021.

Annotations

Notes

Amendment Notes —

The 2012 amendment deleted “or the Federal Savings and Loan Insurance Corporation” preceding “(or any successor thereto)” in the first sentence of the first paragraph; and added the second and third paragraphs of the section.

The 2021 amendment, in the first paragraph, deleted “every two (2) years” preceding “thereafter” and inserted “at such other interval...every four (4) years” in the first sentence, inserted “taking into consideration...and other service considerations” in the second sentence, and substituted “State Treasurer” for “State Treasury” in the last sentence.

Opinion Notes

OPINIONS OF THE ATTORNEY GENERAL

Governing authorities of municipalities are required to advertise for bids in the manner set forth in Miss. Code Section 27-105-305; pursuant to that statute, governing authorities at regular December meeting must give notice to all financial institutions in municipality whose accounts are insured by Federal Deposit Insurance Corporation or Federal Savings and Loan Corporation, by publication that bids will be received from financial institutions for privilege of keeping municipal funds or any part thereof. McPhearson, Feb. 18, 1993, A.G. Op. #93-0013.

Miss. Code Section 27-105-305 provides that municipal funds shall be deposited in qualified financial institution proposing best terms and meeting requirements provided in Miss. Code Section 27-105-315, having in view safety of such funds. McPhearson, Feb. 18, 1993, A.G. Op. #93-0013.

A bank may qualify as a county depository under Sections 27-105-305 and 27-105-315 if it has at least one branch office located within the county and meets all other requirements. James, August 16, 1996, A.G. Op. #96-0503.

Where a banking institution was neither insured by the FDIC nor had been the subject of the determination by the State Treasurer of the primary capital to total assets ratio, such banking institution was not a qualified financial institution under subsection (1) and the county board of supervisors could not accept and open a bid from such banking institution. Allen, Feb. 4, 2000, A.G. Op. #2000-0028.

Absent the inability thereafter of a financial institution to continue as a county depository, a county may not readvertise or through some other method designate a new financial entity as a qualified depository such that public funds may be deposited with a proposed new bank without complying with the statutory requirement that it publish notices at its regular December meeting and select a depository at the January meeting or some subsequent meeting. Dulaney, May 5, 2000, A.G. Op. #2000-0247.

Miss. Code Ann. § 27-105-305

All of a county's funds need not be placed in a single depository, and a county may have several county depositories simultaneously in which different portions of its funds may lie; thus, where a county received bids from two banks and each bank offered better terms with regard to different services, the county could select one or both of the banks, as long as the board of supervisors found that the specific deposits would be placed in the bank offering the best terms for that specific service, keeping in view the safety of the funds. Fortier, Mar. 9, 2001, A.G. Op. #01-0085.

A board of supervisors upon compliance with §§ 27-105-303, 27-105-305 and 27-105-315 may select more than one qualified financial institution to serve as a county depository. Younger, Sept. 6, 2002, A.G. Op. #02-0499.

A credit union that is insured with the National Credit Union Administration does not meet the statutory requirement to place bids to become a town's depository. Phillips, Feb. 14, 2005, A.G. Op. 05-0044.

In selecting depositories, there is no authority for the board of supervisors to request or permit a financial institution to change the interest rate quoted in its bid proposal to match that of the highest bidder. Stubbs, Mar. 11, 2005, A.G. Op. 05-0083.

Research References & Practice Aids

Cross References —

Readvertisement when no bids received, see § 27-105-307.

Penalty for obstructing bids, see § 27-105-313.

Depositories for county and municipal hospital funds, see § 27-105-365.

Application of this section to funds received by school boards of all school districts, see § 37-7-333.

Application of this section to the selection of a depository by an administrative library board of trustees, see § 39-3-17.

Federal Aspects—

Federal Deposit Insurance Corporation, see 12 USCS § 265 and § 1811 et seq.

Mississippi Code 1972 Annotated
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