

Management Committee

Meeting date: November 18, 2020

For the Metropolitan Council meeting of December 9, 2020

Subject: List of Authorized Financial Institutions for 2021

District(s), Member(s): All

Policy/Legal Reference: Appendix A to Council Policy on Investments, Minnesota Statutes 473.542 and 118A.03

Staff Prepared/Presented: Mark Thompson, Senior Manager (651-602-1629)

Division/Department: Regional Administration/Finance

Proposed Action

That the Metropolitan Council approve the attached list of Authorized Financial Institutions for 2021.

Background

In accordance with the Council's investment policy, all banks and brokerage companies doing business with the Council, whether they are receiving funds as deposits or for investments, must be approved by the Council before they receive Council funds.

Pursuant to Minnesota Statute 473.542, the Council shall designate one or more national or state bank, or trust companies, as official depositories before conducting business with said financial institution. The designation shall be in writing and shall set forth all the terms and conditions upon which deposits are made, and shall be signed by the Chair and Treasurer, and be made a part of the minutes of the Council. Minnesota Statute 118A.03 requires the financial institution to furnish collateral to secure the Council's deposits.

Rationale

This request is presented to the Council at least annually so that the Council is kept informed of its financial partners; it is also presented when new parties are added to the list.

Thrive Lens Analysis

Stewardship – Competitive solicitation of financial services and demonstrates **Stewardship** over the Council's investment portfolios, banking, credit card transactions, and other financial activities by ensuring needed services are obtained at the best possible pricing.

Leveraging our investment opportunities through the targeted CD program positively impacts **Equity** within the communities we serve. Financial institutions with whom we invest have track records of providing loan funds within the community for small businesses, affordable housing initiatives, unbanked programs and community development.

Funding

General banking and merchant banking credit card processing fees are funded within the budgets of applicable business divisions. There are no fees typically charged to the Council for certain card usages: purchasing card (a.k.a., P-Card), payroll debit cards, and payment debit cards provided to housing program participants for utilities payment reimbursements. Investment purchases are done primarily on a net settlement basis whereby the broker fee is built into the cost of the investment. Hedging fees are funded by the applicable Council division. CD's are within the Council's Investment portfolio.

Known Support / Opposition

No known opposition

METROPOLITAN COUNCIL
2021 Authorized Financial Institutions and Service Providers
December 9, 2020

Banking Services (Official Depositories)

U.S. Bank, N.A.
Wells Fargo Bank, N.A.

Card Providers, Gateways, Acquirers and Processors

Authorize.net (bar code sales channel)
PayPal (Transit inventory sales via eBay)
Bank of America (purchasing credit card)
Elavon Inc. (credit card processing and managed payment processor)
Braintree (Metro Transit Mobil payment product)
Moovel (Metro Transit Mobil payment product)
The Bancorp Bank, (VEBA HRA debit cards)
US Bank (payroll debit card and housing debit card)
Wells Fargo (recognition cards)

Custodial, Trust, Escrow and Hedge Clearing Accounts

R.J. O'Brien (clearing account for hedges)
State Street (OPEB portfolio execution & custody)
U.S. Bank Trust and Custody (custody, securities lending, trust and escrow)
Wells Fargo Trust (custody, securities lending, trust and escrow)

Securities Broker/Dealers

First Horizon Capital Markets
Piper Sandler
RBC Wealth Management
Robert W. Baird & Co.
U.S. Bancorp, N.A.
Wells Fargo Securities, LLC

Money Market Funds

First American Funds, Inc.
Goldman Sachs Asset Management
Morgan Stanley
Wells Fargo Advantage Funds

OPEB Trust Investments

Public Employees Retirement Association (PERA)
Minnesota State Board of Investment (SBI)

Certificate of Deposit Program

Maple Bank
Riverland Bank
First Resource Bank
21st Century Bank
Hi-way Federal Credit Union
Merchants Bank
Bremer Bank
PNC Bank