

Business Item

Management Committee



Committee meeting date: November 12, 2025

For the Metropolitan Council: December 3, 2025

Business Item: 2025-278

2026 Authorized Financial Institutions

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|----------------------------------|--|
| District(s), member(s): | All |
| Policy/legal reference: | Council Investment Policy FM 3-4 Minnesota Statutes 473.542 – Depositories Minnesota Statutes 118A.02 – Depositories; Investing: Sales, Proceeds, Immunity. |
| Staff prepared/presented: | Mark Thompson, Director Treasury, 651-602-1629 |
| Division/department: | Regional Administration/Finance |

Proposed action

The Metropolitan Council approve the 2026 Financial Institutions list

Background

Pursuant to Minnesota Statute 473.542, the Council shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for moneys of the Council. Such designation shall be in writing, set forth the terms and conditions upon which deposits are made, be signed by the Chair and Treasurer, and be made a part of the minutes of the Council.

Pursuant to Minnesota Statute 118A.02 and the Council's investment policy, all depositories and investment firms doing business with the Council must receive prior Council approval.

Also, the Financial Institutions list and accompanying chart of related fees provides transparency of the Council's financial relationships and the fees paid for their services.

Rationale

This item is brought forward annually to provide transparency and inform the Council of financial services relationships and to also obtain official designation of depositories as required by statute and policy. It may also be presented when new financial relationships are being proposed.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the list of Authorized Financial Institutions demonstrates **Stewardship** by providing transparency of the Council's financial relationships and the fees paid to those institutions, demonstrating financial resources are managed wisely.

Funding

General banking, custody, and credit card processing fees are funded within division budgets. The Council does not pay fees for the Purchasing Card program, payroll debit cards, and debit cards for housing program participants. No commissions are paid to investment brokers. Hedging program fees are funded within the Transit budget.

Small business inclusion

There are no direct impacts to small business inclusion associated with the proposed action.



**Metropolitan Council
2026 Authorized Financial Institutions
October 31, 2025**

Banking Services (Designated Depositories)

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

Card Providers and Processors

Authorize.net (bar code sales channel)
Nayax Cashless Solutions (Transit credit card processing)
Token Transit (Metro Transit mobile app ticket provider)
Elavon Inc. (credit card processing)
Baker Tilly - (Benefits - Flex payment administrator)
US Bank (payroll cards, housing cards, employee recognition cards)
Bank of America (purchasing card program)

Custodial, Trust, and Escrow

Principal Custody Solutions (investment custodian)
State Street (OPEB Trust custodian)
U.S. Bank Trust and Custody (trustee services)

Securities Broker/Dealers

FHN Financial Capital Markets
Piper Sandler
RBC Capital Markets
U.S. Bank Money Center
Wells Fargo Securities, LLC.
***Hilltop Securities** (hedging broker)
R.J. O'Brien (hedging clearing)

Money Market Funds

First American Funds, Inc.
Goldman Sachs Asset Management
Morgan Stanley
Allspring Funds Management LLC (Wells Fargo Sweep)
Principal Global Investors LLC (Custodian Cash Fund)

OPEB Trust

Minnesota Public Employees Retirement Association
Minnesota State Board of Investment

Certificate of Deposit Program

Granite Bank
Drake Bank
Riverland Bank
First Resource Bank
21st Century Bank
Merchants Bank
***Bremer Bank** (merger)
BankCherokee
Sunrise Banks
First Independence Bank

*Change from 2025 Authorized Financial Institutions

2025 Estimated Financial Services Fees

| Contract | Description | Annual Volume | Est. 2025 Expense |
|-------------------------|-----------------------------|--|-------------------|
| General Banking | Council Banking Services | \$3.0 billion | \$74,000 |
| Merchant Banking | Credit Card Transactions | 685,000 transactions \$14.2 million | \$465,000 |
| Purchasing Card | P-Card Transactions | 23,000 transactions \$8.5 million | -\$120,000 |
| Custody Services | Investment Custodian | \$2.1 billion | \$13,500 |
| Trustee Services | VEBA HRA | \$14.5 million | \$1,600 |
| Escrow Services | Bond Refunding | Per refunding | \$3,000 |
| OPEB Trust | Administrator and Custodian | \$430 million | \$40,000 |

