



Banking Services RFP Update

July 17, 2018

The City is a Large Business

- 600+ employees
- Over \$150M in annual operating revenues
- Pay 3,000 bills monthly
- Manage 9,900 monthly utility bill accounts

What the City is looking for in a bank

- ✓ Local Presence
- ✓ Required Services for Daily Operations
- ✓ Security
- ✓ Disaster Recovery/Business Continuity
- ✓ Environmental Stewardship
- ✓ Social Justice and Equity

RFP Process

- March RFP's sent to 16 banks
- April Received three proposals
- May Interviewed two qualified banks
- June Finance committee briefing

Staff Decision - US Bank

- ✓ Met or Exceeded Banking Service Requirements
- ✓ Best Response to Environmental Stewardship
- ✓ Best Response to Social Justice and Equity
- ✓ Lowest Cost

US Bank - Response to Required Services

- Interfaces with the City's accounting system
- Dedicated Customer Service Group
- 24/7 Service on ACH Wire Transmission
- Payment Protection Notifications
- On-line payment security – dual controls
- Solid continuity of operations plan

US Bank - Environmental Stewardship Response

- Formal, Environmental Responsibility Policy
- No direct support for the Dakota Access Pipeline Project
- Named one of the World's Most Ethical Companies by Ethisphere Institute
- Invested \$1.5 billion in renewable energy projects

GHG Reduction Goals

US Bank GHG Reduction Goal (2014 Baseline)

- 40% by 2029
- 60% by 2044

Olympia LUEC Recommendation (2015 Baseline)

- 45% by 2030
- 85% by 2050

US Bank - Response to Social Justice and Equity

- \$218.4 million invested in affordable housing, self-sufficiency and economic development
- Business Resource Groups
- Actively recruit for diversity
 - 60% women
 - 36% increase in supplier diversity spending over the past five years
 - 2,000 veterans employed

US Bank - Community Reinvestment Rating

- Enacted in 1977
- Designed to prevent “redlining”
- Encourage banks to help rebuild and revitalize communities

Ratings

Outstanding – **US Bank Rating**

Satisfactory

Needs to Improvement, or

Substantial Noncompliance

US Bank - Cost of Services

- Lowest cost for services
- \$109,000 over three years
- \$28,617 savings over current contract

Conclusion

- The City has limited choices due to size and complexity
- Finance Committee concurs with Staff's Decision
- Re-evaluate Banking Services every five years
- Finance Committee Recommendation
 - Include a Request to Create a State Bank onto the Legislative Agenda