



FINANCE AND ADMINISTRATION COMMITTEE

**Tuesday, August 6, 2013
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



**Public Agenda
Finance and Administration Committee
Tuesday, August 6, 2013**

Approval of Public Agenda

Minutes of the meeting held on July 9, 2013

Administration's Report

FA13-22 Authorization to Initiate a Process to Engage Banking Services

Recommendation

1. That the Deputy City Manager of Corporate Services be authorized to issue a Request for Proposals (RFP) for professional banking services using the evaluation criteria as presented in this report.
2. That the Deputy City Manager of Corporate Services be authorized to award a contract for the professional banking services for the period of September 1, 2014 to August 31, 2019 to the successful proponent selected by the RFP and based on the approved criteria and to finalize the terms with the successful proponent.
3. That this report be forwarded to the August 26, 2013 City Council meeting for consideration.

Adjournment

AT REGINA, SASKATCHEWAN, TUESDAY, JULY 9, 2013

AT A MEETING OF THE FINANCE AND ADMINISTRATION
COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Councillor Bryon Burnett, in the Chair
Councillor Terry Hincks
Councillor Shawn Fraser

Regrets: Councillor Wade Murray
Councillor Bob Hawkins

Also in Attendance: Committee Assistant, Linda Leeks
Deputy City Manager, Corporate Services, Brent Sjoberg
Director of Human Resources, Pat Gartner
Director of Finance, Chuck McDonald
Legal Counsel, Christine Clifford
Manager, Corporate Accounting, Lorrie Schmalenberg

Approval of Public Agenda

Councillor Terry Hincks moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted and that the delegations appear in the order they are called by the chair.

Adoption of Minutes

Councillor Terry Hincks moved, AND IT WAS RESOLVED, that the minutes for the meeting held on June 11, 2013 be adopted.

Administration Reports

FA13-21 2012 Public Accounts

Recommendation

That the 2012 Public Accounts document be forwarded to City Council as information.

Mr. Chad Novak representing himself addressed and answered questions of the committee.

Councillor Shawn Fraser moved, AND IT WAS RESOLVED, that the recommendation contained in the report be concurred in.

Resolution for Private Session

Councillor Terry Hincks moved, AND IT WAS RESOLVED, that in the interest of the public, the balance of the items on the agenda be considered in private session.

Chairperson

Secretary

August 6, 2013

To: Members,
Finance and Administration Committee

Re: Authorization to Initiate a Process to Engage Banking Services

RECOMMENDATION

1. That the Deputy City Manager of Corporate Services be authorized to issue a Request for Proposals (RFP) for professional banking services using the evaluation criteria as presented in this report.
2. That the Deputy City Manager of Corporate Services be authorized to award a contract for the professional banking services for the period of September 1, 2014 to August 31, 2019 to the successful proponent selected by the RFP and based on the approved criteria and to finalize the terms with the successful proponent.
3. That this report be forwarded to the August 26, 2013 City Council meeting for consideration.

CONCLUSION

The appointment of the current Financial Institution expires at the end of August 2014. Per section 127(2) of the *Cities Act*; council must designate a financial institution.

“The accounts that hold the money of a city are required to be kept in a financial institution designated by council.”

The designation of a financial institution is a matter than can be delegated to the Administration to award pursuant to a competitive process. The administration is requesting that the authority to initiate a process to engage the services of a financial institution as well as the authority to award the contract following the expiry of the current contract be delegated to the Deputy City Manager of Corporate Services.

BACKGROUND

In 2009, Conexus Credit Union and Concentra Financial Services were appointed as the City of Regina’s financial institution for a five year term which ends on August 31, 2014. In order to appoint a financial institution for the next five-year-term, the Administration is requesting authorization for the Deputy City Manager & CFO to initiate a process to engage professional financial/banking services. The contract value for the length of the contract is projected to exceed \$500,000. The scope of the contract will include all of the consolidated accounts of the City of Regina and several of its related entities.

DISCUSSION

The request for proposals (RFP) will be advertised through an opportunity notice posted on the SaskTenders website. The Administration expects that a limited number of financial institutions

will reply given the specific qualifications required to provide the services. As in past years, a review committee has been established to evaluate the proposals received.

Each financial institution must meet the qualifications based on predetermined criteria to have their proposal considered.

The proposals will be evaluated based on a grid that lists the services required. A summary evaluation form is attached in Appendix A. Proponents who meet the requirements are then evaluated based on the following criteria:

- Fees Schedule (summary Appendix B)
- Customer Service which will consider items listed on the grid as well as other info provided in the proposals
- Technology which will consider items as listed on the grid as well as information/enhancements as provided in the proposals.
- Transition Plan - will evaluate the plan to support the City of Regina, during transition to the new institution or to the new contract.
- Qualifications and experience of management team and bank.

RECOMMENDATION IMPLICATIONS

Financial Implications

The operating budget for each fiscal year includes the costs for the services provided by the financial institution based on historical costs. Actual 2012 fiscal year financial banking services cost \$270,000 however future costs cannot be fully determined until the RFP has been awarded.

Environmental Implications

None related to this report.

Policy and/or Strategic Implications

None related to this report.

Other Implications

None related to this report.

Accessibility Implications

None related to this report.

COMMUNICATIONS

The request for proposals will be advertised through an opportunity notice posted on the SaskTenders website.

DELEGATED AUTHORITY

The recommendation of this report requires City Council approval.

Respectfully submitted,

Handwritten signature of Chuck McDonald in cursive script.

Chuck McDonald,
Director Finance

Respectfully submitted,

Handwritten signature of Brent Sjoberg in cursive script.

Brent Sjoberg,
Deputy City Manager and CFO

Report prepared by:
Lorrie Schmalenberg, Manager Corporate Accounting

LS/ci

**Bank Services
Evaluation Grid Summary**

Basic & Enhanced Services

A.1. Account Structure

A.2. On-Line Account Information and Reporting

A.3. Account Reconciliation

A.4. Deposit Activity

A.5. Cheques Issued

A.6. Cash Collection Services

Utility Payments

Property Tax

Parking Tickets

Leisure Programs

Sundry Debtors

B. U.S. Bank Account

C. Short Term Borrowing

D. Payroll

E. Credit Card and Debit Card Services

F. Customer Service

G. Internet

H. Other Enhanced Services

I. Transition plan for cutover period (March 15, 2014 to September 1,

J. Qualifications & Experience of Management Team / Bank

NATURE OF SERVICES REQUIRED
Fee Schedule

Account Administration

- monthly administration fee
- cost to open an account
- cost to maintain an account
- cost to close an account
- interest rate paid on consolidated credit balances - CAD
- interest rate paid on consolidated credit balances - USD
- other related costs (please specify)
 - consolidation of accounts, per account, per month
 - automatic clearing of account balances at month

On-Line Account Information and Reporting

Account Reconciliation

Deposit Activity

Cheques Issued

Cash Collection Services

- Utility Payments - Base Service*
- Property Tax Payments - Base Service*

U.S. Bank Account

Short Term Borrowing

Payroll

- Canada Revenue Agency online bill payments*
- Weekly wire transfers to Civic, Long Term Disability, and Police Pension accounts*

Credit Card and Debit Card Services