# RESEVILLE REQUEST FOR COUNCIL ACTION

Date: January 9, 2023 Item No.: 10.d

Department Approval

City Manager Approval

Michelle Litrick

Item Description: Designation of Official Bank Depositories and Electronic Funds Transfers

Authority for 2023

#### 1 BACKGROUND

2 State Statute 118 A.2, requires the City to designate official bank depositories for which city funds

may be deposited and held for safekeeping. The attached resolution lists those institutions that will

be used for various banking services. The institutions are selected on a bid basis.

5

State Statute 471.38, requires that the City delegate authority to make electronic funds transfers to a

7 designated business administrator or chief financial officer.

8

9 Traditionally, the Mayor, City Manager, and Finance Director have been designated as the city's

official signatories and the Finance Director has been delegated electronic funds transfer authority.

## 11 POLICY OBJECTIVE

The designation of official bank depositories, official bank signatories and authority to make

electronic funds transfers is required under State Statute.

#### 14 **BUDGET IMPLICATIONS**

15 N/A

# 16 RACIAL EQUITY IMPACT SUMMARY

17 N/A

### 18 STAFF RECOMMENDATION

Staff recommends approval of the attached resolution.

#### 20 REQUESTED COUNCIL ACTION

Adopt the attached resolution designating the official bank depositories for 2023 and designating the

22 Finance Director Michelle Pietrick the authority to make electronic funds transfers for 2023.

Prepared by: Joshua Kent, Assistant Finance Director

Attachments: A: Resolution designating the official depositories for 2023 and electronic funds transfer authority for

2023

B. Minnesota Statutes 118 A.02 and 471.38

23

# EXTRACT OF MINUTES OF MEETING OF THE CITY COUNCIL CITY OF ROSEVILLE RAMSEY COUNTY, MINNESOTA

7 3 9	CITY OF ROSEVILLE RAMSEY COUNTY, MINNESOTA
	Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseville, County of Ramsey, Minnesota was duly held on the 9th day of January, 2023 at 6:00 p.m.
	The following members were present: The following were absent:
	Member introduced the following resolution and moved its adoption:
	RESOLUTION NO
	RESOLUTION ON DESIGNATION OF DEPOSITORIES AND ELECTRONIC FUNDS TRANSFERS AUTHORITY
	NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Roseville that the following banks are designated official depositories for the City of Roseville for 2023.
	<ul><li>US Bank</li><li>BMO Harris Bank</li></ul>
	BE IT FURTHER RESOLVED, by the City Council of the City of Roseville does hereby designate official signatories for the City of Roseville for fiscal year 2023:
	BE IT FURTHER RESOLVED, by the City Council of the City of Roseville does hereby delegate authority to make electronic funds transfers to the Finance Director for fiscal year 2023.
	The motion for the adoption of the foregoing resolution was duly seconded by member and upon a vote being taken thereon, the following voted in favor thereof:, and the following voted against the same:
	Whereupon said resolution was declared duly passed and adopted.
	STATE OF MINNESOTA ) ) SS
	COUNTY OF RAMSEY )
	I, undersigned, being the duly qualified City Manager of the City of Roseville, County of Ramsey, State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of said City Council held on the 9th day of January, 2023, with the original thereof on file in my office.

WITNESS MY HAND officially as said Manager and the corporate seal of the City this 9th day of January, 2023.

72

73

25

26

Patrick Trudgeon City Manager	Patrick Trudgeon City Manager	
Patrick Trudgeon City Manager	Patrick Trudgeon City Manager	
Patrick Trudgeon City Manager	Patrick Trudgeon City Manager	
City Manager	City Manager	Patrick Trudgeon
		City Manager

#### 118A.02

# 118A.02 DEPOSITORIES; INVESTING: SALES, PROCEEDS, IMMUNITY.

Subdivision 1. **Designation**; **delegation**. (a) The governing body of each government entity shall designate, as a depository of its funds, one or more financial institutions.

- (b) The governing body may authorize the treasurer or chief financial officer to:
- (1) designate depositories of the funds;
- (2) make investments of funds under sections 118A.01 to 118A.06 or other applicable law; or
- (3) both designate depositories and make investments as provided in this subdivision.
- Subd. 2. **Sale; proceeds; immunity, if loss.** (a) The treasurer or chief financial officer of a government entity may at any time sell obligations purchased pursuant to this section and the money received from such sale, and the interest and profits or loss on such investment shall be credited or charged, as the case may be, to the fund from which the investment was made.
- (b) Neither such official nor government entity, nor any other official responsible for the custody of such funds, shall be personally liable for any loss sustained from the deposit or investment of funds in accordance with the provisions of sections 118A.04 and 118A.05.

**History:** 1996 c 399 art 1 s 3

#### 471.38 CLAIMS.

Subdivision 1. **Itemization; declaration.** Except as provided in subdivision 2, if an account, claim, or demand against a local government for any property or services can be itemized in the ordinary course of business, the board or officer authorized by law to audit and allow claims shall not audit or allow the claim until the person claiming payment, or the person's agent, provides to the board or officer an itemized list in writing or in an electronic transaction record. By making the claim for payment, the person making the claim is declaring that the account, claim, or demand is just and correct and that no part of it has been paid. The board or officer may in its discretion allow a claim prepared by the clerk or secretary of the board or officer prior to the declaration by the claimant if the declaration is made on the check or order-check by which the claim is paid, as provided in section 471.391, subdivision 2. For the purposes of this section, "local government" means any county, local social services agency, school district, town, or home rule charter city of the second, third, or fourth class, or any park district.

- Subd. 2. **Application.** The provisions of this section do not apply to any claim or demand for an annual salary or fees of jurors or witnesses, fixed by law, nor to the salary or wages of any employee whose salary or wages have been fixed on an hourly, daily, weekly or monthly basis, by the governing board of the municipality, and which is now authorized by law to be paid on a payroll basis.
- Subd. 3. **Electronic funds transfer.** Electronic funds transfer is the process of value exchange via mechanical means without the use of checks, drafts, or similar negotiable instruments. A local government may make an electronic funds transfer for the following:
  - (1) for a claim for a payment from an imprest payroll bank account or investment of excess money;
  - (2) for a payment of tax or aid anticipation certificates;
  - (3) for a payment of contributions to pension or retirement fund;
  - (4) for vendor payments; and
- (5) for payment of bond principal, bond interest and a fiscal agent service charge from the debt redemption fund.
- Subd. 3a. **Eligibility.** The authorization in subdivision 3 extends only to a local government that has enacted all of the following policy controls:
- (a) the governing body shall annually delegate the authority to make electronic funds transfers to a designated business administrator or chief financial officer or the officer's designee;
  - (b) the disbursing bank shall keep on file a certified copy of the delegation of authority;
  - (c) the initiator of the electronic transfer shall be identified;
- (d) the initiator shall document the request and obtain an approval from the designated business administrator, or chief financial officer or the officer's designee, before initiating the transfer as required by internal control policies;
- (e) a written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction:

(f) a list of all transactions made by electronic funds transfer shall be submitted to the governing body at its next regular meeting after the transaction.

**History:** (766) RL s 438; 1949 c 416 s 1; 1951 c 350 s 1; 1953 c 50 s 1; 1955 c 312 s 1; 1959 c 56 s 1; 1961 c 5 s 1; 1976 c 44 s 68; 1979 c 334 art 6 s 25; 1986 c 444; 1989 c 329 art 9 s 29; 1994 c 631 s 31; 2001 c 13 s 1; 2017 c 52 s 1