

BUDGET AND FINANCE COMMITTEE REPORT relative to agreements with Bank of America, N.A. and J.P. Morgan Chase Bank, N.A. to provide general banking services to the City.

Recommendations for Council action:

1. AUTHORIZE the Director, Office of Finance (Finance), or designee, to:
 - a. Execute the agreement with Bank of America, N.A. to provide general banking services for a term of five years, subject to compliance with all applicable City contracting requirements, with an option to extend for an additional five years, subject to the review and approval of the City Attorney.
 - b. Execute the agreement with J.P. Morgan Chase Bank, N.A. to provide general banking services for a term of five years, subject to compliance with all applicable City contracting requirements, with an option to extend for an additional five years, subject to the review and approval of the City Attorney.

2. INSTRUCT the City Administrative Officer (CAO), with the assistance of Finance, to report on the status of Bank Service Fees funding in the 2020-21 First Financial Status Report.

Fiscal Impact Statement: The CAO reports that funding for the agreements with Bank of America and Chase is included in Finance's 2019-20 budget, Bank Service Fees, in the amount of \$3.9 million. Funding for one-time costs have been set aside in the Unappropriated Balance 2019-20 Budget, Bank Transition Implementation account, in the amount of \$2 million. On-going annual appropriations will be required for Bank Service Fees.

Community Impact Statement: None submitted.

TIME LIMIT FILE - APRIL 6, 2020

(LAST DAY FOR COUNCIL ACTION - APRIL 3, 2020)

SUMMARY

At its regular meeting held on February 10, 2020, the Budget and Finance Committee considered a CAO report, dated January 30, 2020, attached to the Council file, relative to service agreements with Banks of America, N.A. and J.P. Morgan Chase Bank, N.A., to provide general banking services to the City.

During the meeting, representatives from Finance, Office of the Controller, and Office of the CAO provided an overview of the proposed contracts and responded to questions from the Committee. After providing an opportunity for public comment, the Budget and Finance Committee recommended that Council approve the recommendations in the Finance report. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
PRICE:	YES
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	ABSENT

MM 2-10-20 Council file No. 17-1259-S1

-NOT OFFICIAL UNTIL COUNCIL ACTS-