

Community Services Department

600 W. 4th St.
Davenport, Iowa 52801

HC-2
10-12-10



(563) 326-8723 **Fax (563) 326-8730**

September 29, 2010

TO: Dee F. Bruemmer

FROM: Lori A. Elam

RE: Community Services Protective Payee Program

The Community Services Department operates a Protective Payee. This program provides a payee service to individuals who are unable to manage their finances. The local Social Security office appoints the Community Services Department to be the Representative Payee. We currently have 340 people receiving this service. Historically, this program/service has been provided by Scott County since 1966.

Over the years, Wells Fargo Bank has waived bank fees for Community Services. On September 22, 2010 Wells Fargo staff met with me to discuss the need to charge the county fees for this account. The bank stated they have been "eating" the monthly costs of \$1200 and can no longer do that. The bank representative supplied information regarding the fee charges. After some discussion and review of the charges, Wells Fargo was able to submit a revised fee charge summary. The monthly fees will be \$523.53. This new fee charge will begin November 1, 2010.

This fee charge was not expected, nor planned during the FY11 budget process. Currently, Community Services charges each person in the Protective Payee program a fee of one half of one percent of the previous month's income. This averages out to approximately \$3.50 a month. In the FY11 budget, the Protective Payee fees revenue was projected to be \$14,247. This obviously does not cover the cost of staff. In checking with the local Social Security office about increasing the fee charged to clients, they reported that the county could charge as much as \$37 a month. The clients served in this program typically receive \$674 a month (Social Security). After much discussion with the Protective Payee staff and supervisor, it is recommended that the county charge a \$10 fee each month. This would be approximately a \$6.50 increase per month or \$1.50 less each week for those on a weekly allowance schedule. Staff feel that this would not put clients in a financial hardship. This large increase would cover future bank fee increases as well as bring in more revenue to help cover the costs of operating this program. The county would receive an additional \$13,650 in revenue for FY11 and the total projected for FY12 will be \$36,000.

The Community Services Department does not charge a fee to those clients who reside in a facility as they receive a minimal monthly allowance dictated by the state and the remaining funds go toward their care at the facility. The Protective Payee program serves approximately 40 people in facilities. These individuals will not be affected by the fee increase.

This program serves a large number of people. It is a valuable service as it ensures clients have a place to live as the rent is paid, the utilities are on and money is available each week for food and other items. This service prevents clients from being exploited by others. It also prevents homelessness. The increase fee will go into effect November 1, 2010. We will be notifying the payee clients immediately.