

TONY KNOBBE
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Davenport, Iowa 52806
(563) 386-AUTO (2886)

October 16, 2023

To: Mahesh Sharma, County Administrator
From: Tony Knobbe, County Treasurer
Megan Peterson, Finance Manager
Subject: Renewal of Banking Contract for Treasury Management Services

The contract for banking services, signed with Wells Fargo Bank, N.A. on 1/14/2020, is due to expire on 1/31/2024. We have received a proposal for continued services through 1/31/2028, and would like to execute the contract, subject to Board of Supervisors' approval.

This agreement covers fees for services, including depository services to process deposits and clear checks, as well as wire transfers, online access, tax submission, controlled disbursement, cash vault services, return item services, ACH transactions, positive pay, and account sweep to investments. Our relationship involves a high level of sophistication, and we have enjoyed good service from Wells Fargo.

Our department processes approximately 220,000 vehicle registrations, 60,000 new titles, 160,000 tax payments and 25,000 special assessment payments annually. In addition, we process dozens of other smaller-volume transactions for our own, and other Scott County departments. The total banking charges to process these transactions last year was \$26,000. Clearly, our high volume helps drive the average banking-component cost per transaction to the 5-cent range.

In summary, most of the line items in this contract involve highly automated services, which Wells Fargo is, to a great degree, proposing to remain unchanged. For highly labor-intensive services like cash depositing and ordering, and paper check clearing, the fees proposed were initially proposed to see a moderate increase, of approximately 37%.

We indicated our dissatisfaction with that proposal and asked our representatives to reconsider the proposal. We indicated that an RFP for these services might be necessary. They have responded with a subsequent proposal, focusing largely on those manual processes, resulting in a proposed 23% increase. In light of the high inflation of recent years, and the fact that they are willing to lock in these rates for an additional four years, we are comfortable with this proposal and would ask for your approval.

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

October 26, 2023

A RESOLUTION APPROVING A FOUR-YEAR EXTENSION OF A CONTRACT
FOR BANKING SERVICES WITH WELLS FARGO BANK, N.A.

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. That the Board hereby approves the extension of a banking services contract with
Wells Fargo Bank N.A. to expire January 31, 2028.

Section 2. This resolution shall take effect immediately.