

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: November 10, 2016**

**SUBJECT:** Banking Services Proposals

**SUBMITTING DEPARTMENT:** Management Services

**PREPARED BY:** Katie Pehl, Finance Manager  
William Kauppi, Management Services Director

**AGENDA LOCATION:** Comments/Communications , Consent , Work/Study ,  
New Business , Public Hearing , Second Reading

**ATTACHMENTS:** Banking Services RFP Cost Comparison spreadsheet and the pricing sheets for Wells Fargo, JP Morgan Chase, BMO Harris Bank and National Bank of Arizona.

**SUMMARY BACKGROUND:** From time to time, the Town solicits Request for Proposals (RFPs) from various banks to provide banking services to the Town. The last RFP for banking services was issued six years ago, in compliance with past Town practice and the Town Financial Policy. This practice enables the Town to evaluate banking services being provided and make certain we are paying competitive fees for these services. The Town is not obligated to change banks if it appears the fees are competitive. This practice is similar to what is done with other Town professional services, such as auditing. In accordance with the prior RFP, the Town also has the option to extend its current agreement with Bank of America for one additional one-year period.

Staff sent notice of the current RFP to thirteen banks and received four proposals back (from Wells Fargo, JP Morgan Chase, BMO Harris Bank and National Bank of Arizona). Each of the responsive proposals included a pricing sheet and pricing summaries. These services and fees have been annualized for comparison.

Annual Charges For:	Current Fees	Proposed Fees			
	Bank of America	Wells Fargo	JP Morgan Chase	BMO Harris Bank	National Bank of Arizona
Account Services	\$ 42,826.68	\$ 31,824.00	\$ 51,607.33	\$ 45,205.20	\$ 26,727.77
Investment Services	5,000.00	10,400.00	Not Offered	25,621.00	2,500.00
Merchant Services	127,933.20	134,411.34	118,827.00	130,756.20	106,010.40
One Time Set Up Fees	-	-	-	1,000.00	-
<b>Total</b>	<b>\$ 175,759.88</b>	<b>\$ 176,635.34</b>	<b>\$ 170,434.33</b>	<b>\$ 202,582.40</b>	<b>\$ 135,238.17</b>

Note: Monthly costs are not fixed; pricing will vary based on fluctuating activity.

**OPTIONS ANALYSIS:** None; for discussion only.

**ACTION OPTION:** None; for discussion only.

**RECOMMENDATION:** None; for discussion only.

**FISCAL ANALYSIS:** Banking services are budgeted for in the General Fund (Management Services and Community Development Departments).

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**REVIEWED BY:**

Management Services Director \_\_\_\_\_

Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

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**COUNCIL ACTION:**

Approved    Denied    Tabled/Deferred    Assigned to \_\_\_\_\_