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FINANCE DEPARTMENT
100 N Appleton Street
Appleton, Wisconsin 54911
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To: Finance Committee

From: Tony Saucerman, Finance Director

Date: July 9, 2018

Re: Request to Approve Renewal of Banking Services with JPMorgan Chase

In 2012, an RFP process was run which resulted in a contract being awarded to JPMorgan Chase bank to provide banking services to the City of Appleton. Included in the award was a five-year renewal option exercisable upon the expiration of the initial five-year term. At that time, the Finance Committee requested that any subsequent renewals be brought forward to the Committee for approval. Therefore, with the expiration of the current contract, I am requesting the Committee's approval to extend the contract for an additional five years for the following reasons.

Experience: JPMorgan Chase bank has provided banking services to the City for over 20 years. In those 20 years, many positive relationships have been formed and we have been happy with the services provided. Also, Finance staff have become very familiar with the Chase Access on-line banking system to the point that we consider it an extension of our own financial software.

Cost: JPMorgan Chase bank has proposed an approximate 10% increase in overall bank fees to be locked in for the next five-year term. The increase would raise fees from approximately \$3,989/mo. to \$4,404/mo. based on current utilization. The increase is reasonable based on the entire ten-year length of the contract including the extension.

Convenience: JPMorgan Chase bank is conveniently located across Appleton Street from our first-floor customer service area. This makes making the daily deposits very convenient and allows us immediate in-person contact with the bank. This also allows the City to forego secured deposit transportation charges.

Conversion: The City is currently going through a conversion of our I-series mainframe software to Tyler Munis governmental software. In the set-up of the new software, a number of bank electronic file interfaces are incorporated for such things as cleared checks, payroll direct deposits, retiree health insurance payments, and on-line banking customer payments. Remaining with the same bank would be beneficial to the project since this work would not have to be redone with a new bank.

As always, if any of the Committee members has questions with the above request, feel free to contact me. Thank you for your consideration.