



TOWN OF KILL DEVIL HILLS
Land Where Flight Began

MEMORANDUM

January 15, 2024

TO: KDH Board of Commissioners

FROM: Debora P. Díaz, Town Manager 

REF: New Business

1. Designation of Official Bank Depositories (Attached NB-1)

Town Staff regularly reviews policies, procedures, and practices to maintain the highest level of security, efficiency, and service options for managing public moneys. As a result, a request for banking services was recently distributed to seven North Carolina banks.

The Finance Department's attached memorandum details the review and selection process for central depository and safekeeping services providers. At its conclusion, Staff has recommended the following institutions for approval:

- Official bank depository – Towne Bank
- Safekeeping services provider – Wells Fargo

North Carolina General Statute §159-31(a) states, in part:

“The governing board of each local government and public authority shall designate as its official depositories one or more banks, savings and loan associations, or trust companies in this State...”

Staff requests approval of the above institutions through the Board's adoption of the *Resolution to Designate the Town of Kill Devil Hills Official Bank Depositories* (included with the meeting materials) and authorization for Staff to execute all necessary services agreements with the institutions, pending review by the Town Attorney.

A motion will be in order.



THE TOWN OF KILL DEVIL HILLS
NORTH CAROLINA

TAX AND FINANCE DEPARTMENT

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CHERI WOODS

Cashier
MICHELLE NICHOLS

Administrative Specialist
RON FARLEY

January 15, 2024

TO: Debbie Díaz, Town Manager
FROM: Angell Doughtie, Finance Director AD
Samuel Angelo, Asst. Finance Director SA
REFERENCE: Request for Proposal (RFP): Banking Services

A request for banking services was sent to the following banks: Wells Fargo, United Bank, First National Bank (FNB), Towne Bank, PNC, Truist, and Atlantic Union Bank. All seven banks responded to the request with complete proposals. Each proposal was thoroughly examined and graded. Grading was based on the following 4 areas: General Banking/Level of Service, Online Banking Capabilities, Safekeeping/Treasury Services, and Earnings on Idle Funds vs. Account Fees.

After conducting this initial review, the Town selected four banks, Atlantic Union, FNB, Towne, and United, to move forward with. As a way to further differentiate between the remaining banks, we reached out to three professional references for each institution, leading us to schedule demonstrations with FNB, Towne, and United.

Our accounting team met with each of the remaining banks and observed demonstrations of the banking functions we currently rely on as well as some new functions to make our workflow more efficient such as remote deposits, ACH payments, courier services, and electronic lockbox. During this time, interest rates and banking fees were also discussed and it was apparent that all of the banks were competitive and regardless of which bank was selected, the Town could comfortably keep the minimum fund balance to cover all bank fees.

During the demonstrations it also became apparent that, although the proposing banks could meet our minimum safekeeping and treasury management requirements, none could provide the level of support that the Town receives from the existing safekeeping relationship with Wells Fargo. From this point, we decided to proceed with the intent only to change our provider for regular banking services, and retain our safekeeping relationship with Wells Fargo.

At the conclusion of the presentations, all members of the Finance team unanimously agreed to recommend that Towne Bank be selected as our banking services provider. Towne Bank demonstrated an incredible level of personalization and services available both in person and online. On top of that, Towne Bank has a proven commitment to community in our area that aligns with our mission to serve our citizens.



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

Resolution to Designate the Town of Kill Devil Hills Official Bank Depositories

WHEREAS, with the constant changes in the banking and depository services industry, it is incumbent upon the Town to regularly review existing services and potential benefits available in providing the highest level of security, efficiency, and service options for managing public moneys; and

WHEREAS, Finance Department Staff recently distributed a request for banking services to seven banking services providers, and following review, three providers were selected for in-person presentations; and

WHEREAS, Finance Department Staff has recommended designating the central depository as Towne Bank while maintaining the Town's safekeeping services relationship with Wells Fargo; therefore be it

RESOLVED, That the Board of Commissioners for the Town of Kill Devil Hills approves the following:

1. Pursuant to NCGS §159-31, the Board of Commissioners designates Towne Bank as the official bank depository for the Town of Kill Devil Hills and designates Wells Fargo as the Town of Kill Devil Hills safekeeping services provider.
2. The Finance Director is authorized to deposit into Towne Bank all funds in name and to the credit of the Town of Kill Devil Hills all funds submitted to and belonging to the Town.
3. All checks, drafts, or orders of the Town of Kill Devil Hills drawn against any funds shall be signed by one of the following officers: Town Manager, Assistant Town Manager, Finance Director, Assistant Finance Director, Mayor, or Mayor *Pro Tempore*.
4. All checks issued by the Town of Kill Devil Hills require dual signatures.
5. The names and signatures of designated Town officers shall be duly certified by the Town Clerk to Towne Bank from time to time as may be necessary and no check, draft, or order drawn against the depositor will be valid unless signed.
6. The Town shall submit written instructions to Towne Bank that proceeds from all checks payable to the order of the Town of Kill Devil Hills be deposited to the credit of the Town and that under no circumstances may an item be converted into cash.
7. This resolution shall become effective upon its date of adoption, and certified copies will be provided to Towne Bank.

This 15th day of January, 2024.

SEAL

John Windley
Mayor

ATTEST:

James Michael O'Dell
Town Clerk