

Questions Submitted by Trustee Connie Prado
October 11, 2017
Special Called Board Meeting

Presentations and Reports: Item #1

1. Question: *What is the school district's position after recent national media reports concerning Wells Fargo? Is the school district concerned with the Wells Fargo downgrade by the DBRS rating agency?*

Answer: Wells Fargo's ratings have recently been downgraded by both DBRS and Fitch. The downgrades are a result of the ongoing cost to settle fines imposed by various authorities, refunds to customers, and the potential settlement of class action lawsuits. Despite the recent downgrades, Wells Fargo remains one of the strongest banks in the nation with a stable outlook. The district's position is that this change in rating still leaves them well within the range of investment grade and furthermore has no impact on their ability to service the district's account. We will monitor Wells Fargo this year before a decision is made to renew their contract for the 2018-20 school years.