

Town of BOOTHBAY

Request for Proposals (RFP) for Banking Services

The Town of Boothbay is seeking competitive proposals for various banking services. It is the Town's goal to receive accurate, timely depository and account maintenance services, maximize the utilization of idle funds, minimize risk of loss, receive sound investment and banking service advice, utilize modern electronic and automated banking options and to accomplish these goals at the lowest reasonable cost. A bank submitting a proposal must be a Federal or Maine chartered bank, with a branch near Boothbay, capable of servicing the Town's bank accounts and be a member of the Federal Deposit Insurance Corporation (FDIC).

The Town of Boothbay, Maine, incorporated in 1764, currently operates under a Board of Selectmen (Board) form of government with a Town Manager as the chief administrator of the Town. The Town holds an Annual Town Meeting each year which gives the final authority to appropriate funds for the budget, approved changes to ordinances, and allows the Board authority to proceed with the annual business of the town.

The Town operates on a July 1st – June 30th fiscal year. The population of Boothbay is approximately 3,200 an annual budget of approximately \$ 9.1 million including its shared of the budget of the Boothbay-Boothbay Harbor Community School District. The Town has 11 employees plus call firefighters.

Scope and Requirements of Service

The Town of Boothbay is seeking to obtain the following banking services:

- A general checking account which will fund all day-to-day deposits and disbursements. This account should be a sweep account and must be fully insured or collateralized.
- A “credit card” account which will accept deposits from credit card companies. These deposits will be automatically transferred to the general account at the close of the business day and will always have a zero ledger balance at the beginning of each business day.
- Monthly statements reflecting the last business day of the month. The statements shall include analysis reports for each account showing all activity, deposits, paid items, and fee items. Facsimiles of checks should be made available online.
- Online banking and reporting – access to Town accounts by authorized personnel for the purpose of checking balances, item searching, especially but not limited to cleared checks, with imaging (front and back) and print capabilities for at least 90 days of

history, transfer of funds between Town accounts, posting payroll automated clearing house (ACH) transactions, and posting stop payment orders.

- Ongoing, but periodic, advice and consultation concerning the Town's banking needs. There will be a clearly designated account manager for the Town's accounts who will be available for consultation by either phone, email, or in person on an as-needed basis.
- The town has approximately \$330,000 invested in CDs set aside for capital reserves, a scholarship fund and three TIF (Tax Increment Financing) funds. The Town would like the option to choose between mid to long-term investments and the use of shorter term certificates of deposit (CDs) for investment of idle funds. Each bidder shall submit information showing proposed investments as well as any costs or limitations associated to investing using CDs. These funds must be fully insured or collateralized.

Special or Other Services for Checking Accounts

Automated Clearing House (ACH) – the bank should provide full online ACH processing with support for pre-notes, recurring batches, one-time batches including dual control, ability to report and query, and debit and credit lookup capability. The bank should indicate how it provides the ability for the Town to differentiate between “generated” and “authorized” ACH transactions.

Deposit return items – the bank shall indicate the procedure utilized in handling returned items and the per unit fee.

Overdraft protection – the Town does not intentionally overdraft its checking accounts. The bank shall honor, without charge, any overdrafts on the Town's account.

Supplies – the bank shall supply, at minimum, the Town with various supplies, such as coin wrappers, bill bands, money bags, and deposit slips at no cost.

Stop payment orders – this service shall either be available through internet banking or be available upon verbal request which will be followed by written confirmation. The bank shall indicate the per unit fee, if any, for all available options.

Credit cards – The Town may request credit cards for use by certain Town officials. These cards must have individual card limits as well as the ability to designate types of purchases authorized on each card. Costs associated with credit cards shall be included in this proposal.

Direct deposit – the bank shall provide direct deposit services for employee pay. The proposal should include details of how your bank administers a direct deposit program including the methods by which the Town may transmit direct deposit information to the bank. For the preferred method, indicate any “start-up” costs which would need to be incurred by the Town (i.e.: software, etc.). Indicate whether employees opting for direct deposit to other banks will be assessed fees for processing.

Federal tax deposits – the bank shall provide ACH services for Federal tax deposits.

Credit card processing – the Town currently uses a third party vendor to process credit card receipts. The bank shall indicate if it offers processing of credit card receipts with the user or convenience fee billed to the payer.

Positive pay – the bank should provide a description of its positive pay system and indicate if there is an additional cost for this service.

Account information

- The Town issues accounts payable checks twice a month averaging about 140 checks a month.
- The Town makes about 20 deposits per month on average.
- Employees are paid weekly with all but one employee utilizing direct deposit. In addition, about 45 Firefighters are paid twice annually.
- Deposits from the State's Rapid Renewal program are made on a daily basis.

Proposal Specifications

We believe that the selected bank should be progressive in its business approach, fiscally responsible, interested in a long-term relationship, and committed to quality customer service. At a minimum, the following information should be provided:

- A statement of the bank's understanding of operating and investment accounts.
- A detailed description of the investment structure, including how securities and accounts in excess of FDIC limits will be collateralized and perfected.
- A detailed description of how investment funds will be structured to ensure a separate account statement of fees and investment income.
- A one-year history of the monthly average investment rate for all applicable accounts for the period of January, 2013– December, 2013.
- A breakdown of anticipated monthly fees based on the average monthly volume of activity as provided. The fees quoted must include all discounts being extended under this proposal and include a description of any fees for depositing cash. In addition, please provide the following information:
 - The methods available to cover service charges (i.e.: fees billed monthly, quarterly or annually, compensating balance account, combinations thereof, etc.)
 - If the amount of the bank's service charges would differ depending upon the method selected to cover the service charges
 - The frequency with which the bank proposed to assess service charges
 - How any positive net earnings will be provided to the Town
- A brief profile of the bank; locations of the branch and corporate offices which will be servicing the Town's accounts
- A description of the background and qualifications of the "team" who will be assigned to the Town's account and how Town personnel will communicate with that team. (i.e. will there be one point person to contact or will there be various "specialists" involved.

- Evidence of experience in servicing other municipal accounts and references from three other current municipal customers.
- A description of ACH services offered for direct payroll deposits including posting time restrictions and fee schedules.
- A description of special banking programs, if any, that the bank will offer to the employees of the Town.
- Your bank's rating from a nationally recognized bank rating service. Explain the significance of this rating with respect to the safety of the Town's funds.
- A copy of your bank's most recent Community Reinvestment Act performance evaluation.
- A synopsis of the bank's local activity showing a commitment to the people and businesses of Boothbay and their support for local betterment. This commitment may be taken into account as a factor in the Town's final decision.
- Any comments or exceptions to the requirements of this RFP.
- The name, address, phone number of the bank, and the contact person for this proposal.
- A signature on this proposal by an authorized individual.

Proposal Terms and Submission

Responders are reminded that the information contained in the submitted material will become a public record.

- Boothbay anticipates entering into a three (3) year contract for banking services. Either party may terminate this contract upon giving sixty (60) days advance notice. However, Boothbay retains the right to terminate the contract with less than sixty (60) days notice if, in the opinion of the Town, sufficient cause exists.
- Increases in fees quoted will be limited to annual increases at the anniversary date of the contract, not to exceed the consumer price index for the twelve (12) month period immediately preceding the contract anniversary date.
- Proposals will be evaluated and selected on the following criteria (not in order of priority):
 - The ability of the bank to provide a full range of quality services as evidenced by demonstrated experience in municipal banking, the background and qualifications of bank officers who will be servicing the Town's accounts, references, and the overall quality of the proposal submission.
 - The degree to which the proposal submitted meets the above specifications and responds to the proposal questions in a manner most favorable to Boothbay.
 - Evidence of a strong return on investments and minimum fee charges relative to other banks submitting proposals.
 - Location of branches within the Boothbay's general service and business communities.
 - Evidence the bank is a sound financial institution.
- The Town reserves the right to waive all formalities and reject any and all proposals when it is in the best interest of the Town to do so.

- Proposals must be submitted in sealed envelopes clearly marked, “RFP for Banking Services” no later than 2 pm, Friday August 29th, 2014. Proposals may be mailed or hand-delivered to the Town Manager’s office at 1011 Wiscasset Road, Boothbay, ME 04537.
- All proposals will be opened at the above date, time, and place and will be available for inspection by interested parties. A selection of Town officials will meet to review the written material submitted in response to this request. The committee will evaluate the information submitted and recommend the bank that best meets the needs of the Town. As part of the evaluation process, the selection committee may, at its discretion, request any or all banks to make oral presentations.
- The Town anticipates making an award on the bids in 2-4 weeks.
- The Town requires seven (7) copies of each bid and supporting evidence.

Further Information

For further information regarding this RFP, contact James D. Chaousis II, Town Manager at (207) 633-2051 x 10 or townmanager@townofboothbay.org.