



**REQUEST FOR PROPOSALS (RFP)
For Banking Services
For the Town of Farmington
located in Farmington, Maine**

I. INTRODUCTION

The Town of Farmington is soliciting competitive proposals for depository banking services for a period of three (3) years. The successful Proposer will provide banking services for the Town including depository, cash management, and checking services.

SUBMISSION REQUIREMENTS

Five (5) copies of the proposal are required for submission and should be marked "Proposal for Banking Services for The Town of Farmington, Maine" and delivered to

153 Farmington Falls Rd
Farmington, ME 04938

by close of business, on or before October 18, 2024.

Please notify us of your intent to submit a proposal by e-mailing Tammy Bureau, Treasurer, at treasurer@farmington-maine.org by Tuesday, October 8, 2024.

Questions regarding this RFP are to be sent by e-mail to Tammy Bureau, Treasurer, at treasurer@farmington-maine.org by Friday, October 11, 2024. Answers to questions received will be shared with all proposers. Responses will be sent via e-mail.

Proposers are reminded their submitted proposals become public records once they are opened. No Proposal may be withdrawn within a period of sixty (60) days after the opening of bids.

To assist the Town's review, please provide responses in the order of sections listed in the RFP. If you do not wish to bid on any services, please include your negative response accordingly.

II. SCOPE OF SERVICES

It is the intent of the Town to have one banking institution provide all the banking services specified in this RFP.

Please provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.

The Town/City will require the following accounts:

- General Fund Checking
- Payroll Checking
- Cash Management Sweep/Other Investments
- Revolving Loan Fund Checking Account

Please provide the Town with all deposit rates associated with municipal banking services, the Bank's policy for adjusting these rates (upward or downward) in response to changing market conditions.

Please describe what insurance and/or collateral that you will provide to protect Town deposits in excess of FDIC limits.

Please detail how your banking institution provides the following required services:

- Electronic/On-line banking (Cash Management)
- Automated Clearing House (ACH) services
- Positive Pay
- ACH Filter/Block
- Remote Deposit Capture
- Sweep Account Services
- Financing Services including Lease Lending
- Courier Service.

Other required services include: Stop payments, deposit returns, overdraft protection, monthly account statements and service charge reports, wire transfers, imaging services, mobile banking technology and online payments.

Please describe any additional optional services your banking institution provides.

Please describe how your banking institution provides "security technology" for its deposit accounts to protect the Town/City's funds.

III. INVESTMENT PROGRAMS

The Town/City may have upwards of \$2 million in idle funds, which require less liquidity than a daily sweep account. Although trust and reserve fund consulting services are not included within this RFP, the Town has the option to utilize various investment options with your banking institution. Please describe any deposit investment options available within your banking institution, in addition to your bank's sweep account product.

IV. OTHER INFORMATION

The Town prefers to work with a Maine based bank. Please provide the location of your nearest branch to the Town Office located at 153 Farmington Falls Road in Farmington, Maine.

Please describe how your bank's background and experience support its communities.

Please include a "funds availability" schedule for your banking institution.

Please describe the availability of bank statement data to the Town.

The Town prefers to work with a primary contact for managing its deposit banking relationship. Please describe your bank's experience working with municipalities and/or other government banking entities and include bios where appropriate. Please list at least three (3) references.

Please describe your banking institution's current rating, according to a national rating service, such as bankrate.com or Bauer Financial. Include information about any current or formal federal enforcement actions over the past three years.

Please describe how transition to your banking institution would take place, if your bank is selected.

Supplies

Awarded bank shall provide the following banking supplies, upon request, at no cost to the Town:

- "For Deposit Only" stamps if needed.
- Various supplies, such as coin wrappers, bill bands, coin envelopes and deposit bags, and night deposit bags, if so required, at no cost to the Town.
- Reimbursement to the Town for payroll and/or accounts payable checks.
- Deposit slips, pre-printed with account name and numbers.

NSF Items

Bank will make one additional attempt to collect a deposited check returned because of insufficient funds. Checks remaining uncollectible after this attempt will be returned to the Town for processing.

Overdraft Protection

The Town will attempt to ensure funds on deposit are equal to or exceed the gross amount of checks issued. If an unintentional overdraft occurs, all checks presented for payment will be paid. Since overdrafts will normally arise because of insufficient cleared funds in the account or other unforeseen reason, the Town agrees the Bank shall have the right to charge interest at an agreed rate, plus an individual item fee for any overdrafts, as both are shown in the proposal set forth in Exhibit A.

V. CONTRACT REQUIREMENTS

The Bank's submitted proposal will be the basis for the banking services agreement. No written agreement will be further required by the Town/City. However, the Town may request a letter of understanding from the awarded bank to further document the bank's commitment to the Town.

Qualified Proposers

The proposing bank will be a Federal or Maine chartered bank and will be a member of the Federal Reserve System with access to all its services. The bank will have adequate organization, facilities, equipment and personnel to provide prompt and efficient service to the Town, including the ability to accept daily deposits. Bank will be in good standing and continual compliance with existing and future enacted laws, rules, and regulations of the United States and the State of Maine related to commercial banking operations.

Pricing Proposal

Please provide the Town with all fees and compensating balances associated with municipal banking services on the attached table labeled as Exhibit A.

Contract Period

Town/City will require a contract period of three (3) years, to begin January 1, 2025 or sooner.

The contract may be extended with mutual agreement between the Town and the Banking institution. The extension length can be between one and five years depending on the needs of the Town. The Town Board of Selectmen shall have the authority to continue or stop extensions depending on the needs of the Town.

Modifications

During the contract period, or any extension thereof, the Town/City reserves the right to renegotiate with the Bank such additions, deletions, or changes as may be necessitated by law or changed circumstance. However, no increase in quoted unit prices will be permitted and additional charges shall be added to items or services in the original proposal that remain unchanged.

Cancellation of Contract

By Notification: Either party may terminate the contract upon giving written notice of at least ninety (90) calendar days. This provision may be exercised only after the contract has been in effect for three (3) calendar months. The Bank shall be entitled to just and equitable compensation for any satisfactory work completed to the termination date. Under no circumstances will any damages be paid as a result of the termination of the contract.

For Cause: In the event of a breach of the contract by the banking institution or unsatisfactory performance as assessed by the Town Manager or designee, or if the banking institution performs in a manner that precludes the Town from administering its functions in an effective manner, the Town will provide written notice of the breach or unsatisfactory performance. If the banking institution has not been able to remedy the breach or improve performance within thirty (30) days following the written notice, then the Town, with the approval of the Town governing body will upon written notice to the Bank, be authorized to cancel this contract by giving a maximum of thirty (30) days as the final termination date of the contract.

Submittal Statement(s)

Each proposal shall be signed by a person legally authorized to bind the Bank to a contract.

All proposals shall have a statement indicating the proposer has read and understands all conditions as outlined in this RFP. Any exceptions to these conditions will be noted and described in the proposal.

All proposals shall also state no person acting for, or employed by the Town has a direct or indirect financial interest in the proposal, or in any portion of the profits which may be derived there from.

The Town is required to obtain written assurance from the banking institution selected stating they are an equal opportunity employer and lender.

Town Decision Process

The Town will make its decision as to which banking institution it will bank with based on the completeness of responses provided from this RFP. The Town will look at all aspects your institution provides including financial cost along with support services. Interviews may be requested to narrow down the top proposals.

The Town will evaluate the information provided, including the findings of reference checks conducted, and rates each firm by the following standards:

• Local decision making and service/dedicated team	10%
• Cash Management (security features, on-line banking platform, remote deposit, positive pay)	20%
• Deposit rate	20%
• Lending Services	20%
• Government Banking Experience	10%
• Other Services (like credit cards, online payments, trust)	20%
Total	100%

The Town reserves the right to reject any and all proposals, to waive any irregularities or informalities in any proposal or in the proposal procedures, and to accept or reject any item or combination of items when it is in the best interest of the Town.

In the event that the proposer to whom the services are awarded does not execute a contract within thirty (30) calendar days after the award of the bid, the Town may give notice to such proposer of intent to award the contract to the next most qualified proposer or to call for new proposals and may proceed to act accordingly.

Exhibit A: Services Cost Analysis

The Town/City deposit accounts have an average monthly deposit balance of \$5.7 million. The following is a listing of the average annual number of transactions for all deposit accounts. Please provide unit and annual costs in the spaces provided (numbers to be changed based on actual numbers).

Bank Service	Estimated Annual Units	Unit Cost	Annual Cost
Account Maintenance:	24		
Cash Management Account	-		
Zero Balance Account	-		
Sweep Investment Account	None now but want		
Items Deposited:			
Branch Deposits	300		
Number of Items Deposited	9161		
Checks Paid	2002		
Payroll Direct Deposit	1896		
Stop Payments	3		
Redeposited Checks	5		
Returned Checks	0		
Wires Incoming	-		
Wires Outgoing	-		
Coin Deposited (total \$ amount)	250.00		
Currency Deposited (total \$ amount)	551118.00		
ACH Transactions:			
Incoming	725		
Outgoing	212		
Service Costs:			
ACH Transmission	-		
ACH Maintenance	-		
PC Connection	-		
PC Maintenance	-		
Banking Supplies	150.00		
Other:			
Positive Pay Services	720.00		
ACH Filter/Block Services	420.00		
Remote Deposit Services	600.00		
Total Estimated Annual Cost	10,611.00		
Average Monthly Cost (Total/12)	884.25		
Required Monthly Compensating Balance	1,388,147.57		