

RESOLUTION
of the
BOROUGH OF NEW PROVIDENCE
Resolution No. 2017-193

Council Meeting Date: 07-17-2017

Date Adopted: 07-17-2017

TITLE: RESOLUTION OF THE BOROUGH OF NEW PROVIDENCE, COUNTY OF UNION, STATE OF NEW JERSEY, AUTHORIZING A CONTRACT WITH INVESTORS BANK FOR THE PROVISION OF BANKING SERVICES FOR THE BOROUGH OF NEW PROVIDENCE

Councilperson Muñoz submitted the following resolution, which was duly seconded by Councilperson Madden.

WHEREAS, the Borough of New Providence has requested and received proposals for the provision of banking services to the Borough; and

WHEREAS, Investors Bank submitted the proposal that the Borough Council deems to be the most advantageous to the Borough;

WHEREAS, the contract to be awarded hereby is made through a fair and open process;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of New Providence, County of Union, State of New Jersey, as follows:

1. A contract between the Borough and Investors Bank for the provision of banking services to the Borough be and the same is hereby authorized for a term of three years, in accordance with the proposal submitted to the Borough by Investors Bank dated June 12, 2017, which is on file with the Borough Clerk and are made part hereof.
2. The Mayor and Clerk are hereby authorized to execute such documents as are necessary to effectuate this purpose.

APPROVED, this 17th day of July, 2017.

RECORD OF VOTE

	AYE	NAY	ABSENT	NOT VOTING
GALLUCCIO			X	
GENNARO	X			
KAPNER	X			
MADDEN	X			
MUÑOZ	X			
ROBINSON	X			
MORGAN			TO BREAK COUNCIL TIE VOTE	

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 17th day of July, 2017.

Wendi B. Barry, Borough Clerk

Borough of New Providence Comparison of Banking Services

Provident Bank	Investors Bank	TD Bank
<p>Interest Rate: 1) Fixed Interest Rate of .50% 2) Variable Interest Rate, Rate is Indexed and reset on Monthly Based Average of Prior Month's 90 day T Bill less .80 bps Interest rate floor of .20%</p>	<p>Interest Rate: Fed Funds minus 50 basis points Current Rate of 1.00% APY Floor Rate of .50 APY Interest Rate will only fall below 1.00% if the Fed begins to reduce interest rates. Rate can only go higher but never fall below the floor rate Estimated Annual Interest Earned is \$130,000</p>	<p>Interest Rate: Advantage Model Tier I - \$0 - \$999,999.99 at .40% Tier II - \$1,000,000+ at 1.00% Interest Paid on the Average Collected Balance less 10% reserve and compensating balance Earnings Credit Rate set at .50% will be used to offset cost of Services Estimated Annual Interest Earned is \$102,528</p>
<p>With either option: Absorb the Borough's Carrier Fees</p>	<p>Interest paid and credited within the same month of earnings</p>	<p>Interest posted after monthly analysis report is rendered. Between the 15th and 18th of subsequent month</p>
<p>Absorb the Borough's Payroll Costs</p>	<p>Armored Car Service: Three Times a Week, Monday, Wednesday and Friday. Five days a week during the first 2 weeks of each tax quarter</p>	<p>Not Covered in Proposal</p>
<p>Absorb Merchant Processing Costs</p>	<p>Payroll Costs reimbursement up to \$24,000 annually (prorated) Merchant Services Costs will be reimbursed up to \$ 5,000 annually</p>	<p>Not Covered in Proposal</p>
<p>All Bank Service Charges will be Waived</p>	<p>No Service Charges or Fees</p>	
<p>10% Reserve Requirement Waived No FDIC Assessment No Compensating Balance Requirement</p>	<p>No Compensating Balances Interest Paid on First Dollar of Collected Balance</p>	
<p>Absorb the Costs related to Endorsement Stamps, Check and Deposit Slip Printing</p>	<p>Cost of Checks and Deposit Slips covered by Bank while transitioning to Investors</p>	<p>Initial cost covered by TD Bank, reorders processed through account analysis</p>
<p>All Deposited Funds will be provided with next day availability if transacted by 6:00 pm via remote deposit</p>	<p>Checks will be available the first business day after deposit</p>	<p>Immediate availability for cash and checks drawn on TD Bank, All other checks \$100 on day of deposit, remainder next business day</p>
<p>Offer Valid for 3 year term</p>	<p>Contract period 3 years</p>	
<p>Credit Card Processing Services provided by First Data</p>	<p>Credit Card Processing Services provided by TransFirst</p>	<p>Credit Card Processing Services provided by TD Merchant Solutions</p>

Borough of New Providence Comparison of Banking Services

Provident Bank	Investors Bank	TD Bank
Minimum balance required to collect interest: Average Collected Balance of \$ 7 Million	Minimum balance required to collect interest: Average Collected Balance of \$ 7.5 Million	Minimum balance required to collect interest: Average Collected Balance of \$ 7 Million
Check Scanner for Deposits initially Tax Office, then possible in Recreation Office	Check Scanner for Deposits initially Tax Office, then possible in Recreation Office	
	Developer Escrow Services	TD Escrow Direct
Employee Advantage Program	Employee Banking - Workplace Banking	Bank at Work Program
Lock-Box Services for Tax Collection Service is available need more information in order to price	Lock-Box Services for Tax Collection Possible future consideration	
References: Township of Hanover Township of Parsippany Borough of Leonia Township of Denville Township of Bridgewater		
	Proposal based on maintaining average balances of \$13 Million	