



# Baldwin County Commission

## Legislation Details (With Text)

**File #:** 19-1571 **Version:** 1  
**Type:** Consent **Status:** Passed  
**File created:** 6/25/2019 **In control:** Baldwin County Commission Regular  
**On agenda:** 7/2/2019 **Final action:** 7/2/2019  
**Title:** Banking Services Award

**Indexes:**

**Attachments:** 1. Hancock Final RFP Response, 2. The First Bank RFP Response April 2019

Date	Ver.	Action By	Action	Result
7/2/2019	1	Baldwin County Commission Regular	Approved	

**Meeting Type:** BCC Regular Meeting

**Meeting Date:** 7/2/2019

**Item Status:** New

**From:** Donna G. Bryars, Interim Clerk/Treasurer

**Submitted by:** Makayla Shiver, Jr Staff Accountant

### ITEM TITLE

Banking Services Award

### STAFF RECOMMENDATION

Take the following actions related to banking services:

- 1) Award the Baldwin County Commission basic banking services to Hancock Bank for period of July 2, 2019 to July 2, 2022, at an interest rate tied to the 90-day treasury bill plus 0.10%; and the Commission's Earnings Credit Rate (ECR) a floating rate indexed to the Fed Funds Rate minus 0.50%. As of June 1, 2019 the Fed Funds Rate is 2.50%, therefore, the current rate would be 2.00%; and
- 2) Award the Baldwin County Merchant Services to Hancock Bank for a period of July 2, 2019 to July 2, 2022, with a discount rate of 0.0% and transaction fee of \$0.10.; and
- 3) Award the Baldwin County Commission banking services for idle funds up to \$20M for a period of July 2, 2019 to July 2, 2022, to The First Bank of Baldwin County with the interest rate set at the 3-month Daily Treasury Yield Curve Rate Index (The Index) Plus 0.13% (The Margin), floating. (Interest Rate as of 06/03/2019 would be The Index of 2.31% + The Margin of 0.13% = 2.44%).

### BACKGROUND INFORMATION

**Previous Commission action/date:** 04/05/2016

**Background:**

April 4, 2016 Meeting:

1) Awarded the Baldwin County Commission Basic Banking Services to Hancock Bank for the period of June 1, 2016 to May 31, 2019, with two (2) 12-month options, at an interest rate tied to the 90-day treasury bill plus 0.12% with a floor of 0.63% and the Commission will pay the bank services fee; and

2) Awarded the Baldwin County Commission Merchant Services to Hancock Bank for the period of June 1, 2016 to May 31, 2019, with two (2) 12-month options, at a cost plus price with a discount rate of 0.0% and transaction fee of \$0.10; and

3) Awarded the Baldwin County Commission Lockbox Services to Hancock Bank for the period of June 1, 2016 to May 31, 2019, with two (2) 12-month options, and the Commission will pay the bank services fees.

A Banking Services Request For Proposal (RFP) for Commission demand deposits has been sent to all in-county banks for the last 27 years. The RFP requests a rate of return tied to Prime or alternative index on all Commission bank accounts for a three-year period, and the RFP requests that the bank perform various services for the Commission. The Commission's current banking services arrangement is set to expire August 31, 2019.

**Summary of Schedule**

- Friday, March 15, 2019: RFP released to bank/institutions
- Wednesday, March 27, 2019: Last day to present written questions for RFP
- Wednesday, March 27, 2019: Banking institutions submit demo for online cash management system
- Friday, April 5 2019: 2:00 PM, RFP Due
- Friday, April 5, 2019: 2:30 PM, opening of RFP responses
- Tuesday, April 9, 2019: Recommendation to Baldwin County Commission
- Tuesday, April 16, 2019: Contract Awarded during regular meeting

**FINANCIAL IMPACT**

**Total cost of recommendation:** N/A

**Budget line item(s) to be used:** N/A

**If this is not a budgeted expenditure, does the recommendation create a need for funding?**  
N/A

**LEGAL IMPACT**

**Is legal review necessary for this staff recommendation and related documents?**  
N/A

**Reviewed/approved by:** N/A

**Additional comments:** N/A

### **ADVERTISING REQUIREMENTS**

**Is advertising required for this recommendation?** N/A

**If the proof of publication affidavit is not attached, list the reason:** N/A

### **FOLLOW UP IMPLEMENTATION**

**For time-sensitive follow up, select deadline date for follow up:** N/A

**Individual(s) responsible for follow up:** Finance and Accounting Department

**Action required (list contact persons/addresses if documents are to be mailed or emailed):**  
N/A

**Additional instructions/notes:** N/A