

BORDENTOWN SEWERAGE AUTHORITY

ADDENDUM NO. 1 – 2022 Banking Services RFP

DATE: September 22, 2022

BIDDER QUESTION

General RFP Questions

Q: Will all questions submitted be supplied to all prospective bidders?

A: **All questions will be made available on the Authority's website and will be emailed to all bidders who received the RFP via email.**

Q: Can the Authority please provide the original/editable MS Word version of the RFP and required documents?

A: **Yes, please request the word version via email to ekwerty@bordentownsa.org.**

General Banking Questions

Q: Is the Authority able to provide Account Analysis Statements for your primary accounts at minimum?

A: **No**

Q: If Account Analysis Statement cannot be provided, can the addition details below, please be provided?

- a. Average annual or monthly balances for each account.
- b. # of Checks deposited per account
- c. Dollar amount of coin and currency processed via the local branch

A: **a. Average monthly balances September 30 2021 - August 31, 2022:**

Revenue Account \$420,060.78
Operating Checking Account \$51,006.25
Operating Deposit Account \$635,804.22
Payroll Account \$22,141.46
Unemployment \$22,835.86
Performance Guarantee \$46,125.06
Connection Fee Account \$3,053,175.53
Developers Escrow Account \$51,556.76
Escrow Disbursement Accounts, 4 accounts
Escrow Account #1: \$4,500.56
Escrow Account #2: \$18,735.09

Escrow Account #3: \$2,000.25
Escrow Account #4: \$18,309.47 (January 2022 – August 2022)

b. # of Checks deposited per account

Prior 12 months, September 1, 2021 – August 31, 2022:

- 1. Operating Checking Account - zero**
- 2. Operating Deposit Account - zero**
- 3. Payroll Account - zero**
- 4. Unemployment - zero**
- 5. Performance Guarantee - zero**
- 6. Connection Fee Account - 75 checks**
- 7. Developers Escrow Account - 24 checks**
- 8. Escrow Disbursement Accounts – 1 check per account**

The Authority's Revenue Account has the largest volume of deposited checks. Sewer accounts are billed quarterly. The below counts represent checks received for the April billing and July billing cycles.

- 9. Revenue Account 2,306 checks from 4/1/22 – 6/30/22**
Revenue Account 2,047 checks from 7/1/22 – 8/31/22

c. Dollar amount of coin and currency processed via the local branch

Revenue Account: \$792.90 from 4/1/22 – 8/31/22

The billing office hours have been restricted and the amount of cash processed is anticipated to increase in the future.

RFP Banking Services Page 5, Item F.

- Q.** Please describe the “automatic interest transfers” occurring. Are these transfers automated by your bank? Or have you setup recurring transfers using your online banking, or another method?
- A.** **The interest earned on most accounts are automatically transferred by the bank to the Revenue Account prior to the close of the monthly statement. The list of accounts where interest should be automatically transferred will be provided by the Authority.**

The Authority also requires the ability to transfer funds outside of interest transfers, preferably using online banking.

RFP Banking Services Page 5, Item G.

- Q. Please provide additional details regarding direct deposit (ACH Origination):
- a. Are you sending a NACHA formatted file to your banking partner today for processing?
 - b. Are you using online templates to process ACH payments via your bank's online banking?
 - c. Or is a third party processing payroll on your behalf? BSA processes payroll in-house, the ACH file for direct deposit has been formatted by the software for import to the Bank's online system.
- A. **a. Yes, a NACHA formatted file is being used for direct deposit.
b. Yes, the formatted file is processed via bank's online banking.
c. The Authority processes payroll in-house.**

RFP Banking Services Page 7, Item O:

- Q. Besides direct deposit as already noted above, is the Authority originating ACH transactions for any other payments such as vendor payments?
- A. **The Authority wishes to use ACH transactions for vendor payments in the future.**
- Q. Please provide additional information around requirements for the escrow account system. Can the Authority please indicate the typical number of escrow accounts and typical average balances of all accounts? How often is the Authority opening and closing escrow accounts?
- A. **The Developers Escrow account has had an annual monthly average of \$51,556.76. For the Month ended August 31, 2022, there were 20 active escrow balances, an average of \$1,700.00 per account. Accounts are opened and closed as new development projects begin and end. For the period of 12/01/2020 – 11/30/2021 four accounts were opened, two accounts were closed. For the period of 12/01/2021 – 08/31/2022, six accounts were opened, four have been closed.**

The Escrow Disbursement Accounts for cash bonds: The annual monthly averages for four accounts are: Escrow Account #1: \$4,500.56; Escrow Account #2: \$18,735.09; Escrow Account #3: \$2,000.25; Escrow Account #4: \$18,309.47 (January 2022 – August 2022). Most development projects require a Performance Bond which is then reduced to a two-year

maintenance bond. The Developer may choose to post the bond amount in cash. The Authority will then open a new account in the Developer's name and hold the funds until the bond can be released.

The Escrow Account System ideally would assist the Authority track the balance, deposits, payments, for each individual development.