

MEMO

Date: October 6, 2021

To: Matthew Sturgis, Town Manager

From: John Quartararo, Finance Director

Re: Award of Deposit RFP

On October 6, 2021, we received an opened proposal for investing \$5,315,000 in a securitized bank deposit product (CD, interest checking or money market account) for a term of either 6 or 12 months. These are funds bid last year and awarded to Machias Savings Bank at 0.35% for 12 months. The high bid this time as 0.32% for either 6 or 12 months submitted by Northeast Bank. The deposit will be secured with FDIC insurance up to \$250,000 and the balance with an irrevocable letter of credit from the Federal Home Loan Bank.

No bidders or members of the public attended. I am recommending that the Town Council award the deposit to Northeast Bank for 6 months, on the expectation that the Federal Reserve will begin to raise rates by the turn of the year. The suggested order also include the limitation of authority for the authorized signer

Marcy Weeks, School Business Manager sat in on the bid opening and verified the recording of the results. Included with this memo is the bid tabulation sheet and Northeast Bank's Corporate Authorization Resolution

I suggest the following Council order:

The Council awards the deposit bid to Northeast Bank for a term of 6 months at a fixed rate of 0.32%. The Council also names the authorized signers as Mathew E. Sturgis, Town Manager/Treasurer; Debra M. Lane, Town Clerk and John Quartararo, Finance Director. Their authority to act is limited to opening and closing this account by withdrawing or transferring funds on deposit. This authority shall not include the ability to borrow funds, lease a safety deposit box or to endorse, assign, transfer, mortgage or pledge bills receivable and/or other financial instruments.

BID TITLE - CD INVESTMENT ~ \$5,315,000

TOWN OF CAPE ELIZABETH
BID TABULATION
5 OCTOBER 2021

DUE DATE: 10/5/2021 - NOON

ATTENDEES

STAFF - NAME

John Quatararo/Finance Director

Marcy Weeks/School Business Manager

OTHERS - NAME/REPRESENTING

None

<u>BIDDER</u>	<u>BID REC'D</u>	<u>METHOD</u>	<u>6 MO RATE</u>	<u>EST INT</u>	<u>12 MO RATE</u>	<u>EST INT</u>
Northeast	10/5/2021	Drop Off	0.32%	8,504.00	0.32%	17,008.00
Machias	10/4/2021	Drop Off	0.12%	3,056.13	0.20%	10,630.00
Katahdin	9/21/2021	USPS	0.11%	2,923.25	0.18%	9,567.00
Peoples United	10/5/2021	Drop Off	0.05%	1,328.75	0.10%	5,315.00
TD Bank	Declined to bid					
Camden National	Declined to bid					
Bath Savings	Declined to bid					

Corporate Authorization Resolution

Northeast Bank
35 Canal Street
Mill 2, Floor 5
Lewiston, ME 04240-0000

By:

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, Debra M. Lane, certify that I am Secretary (clerk) of the above named corporation ^{municipality}
organized under the laws of state of Maine, Federal Employer I.D. Number
01-60001000, engaged in business under the trade name of Town of Cape Elizabeth,
and that the resolutions on this document are a correct copy of the resolutions adopted at a
meeting of the Board of Directors of the Corporation duly and properly called and held on Oct 13, 2021
(date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

Agents. Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>MATTHEW E Sturgis</u> <u>Town Manager/Treasurer</u>	X _____	X _____
B. <u>Debra M. Lane</u> <u>Town Clerk</u>	X _____	X _____
C. <u>JOHN QUARATARO</u> <u>Finance Director</u>	X _____	X _____
D. _____	X _____	X _____
E. _____	X _____	X _____
F. _____	X _____	X _____

Powers Granted. (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
<u>A, B, C</u>	(1) Exercise all of the powers listed in this resolution.	<u>1</u>
<u>A, B, C</u>	(2) Open any deposit or share account(s) in the name of the Corporation.	<u>1</u>
<u>A, B, C</u>	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	<u>1</u>
<u>—</u>	(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.	<u>1</u>
<u>—</u>	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	<u>1</u>
<u>—</u>	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	<u>1</u>
<u>—</u>	(7) Other:	<u>1</u>

Limitations on Powers. The following are the Corporation's express limitations on the powers granted under this resolution.

Resolutions

The Corporation named on this resolution resolves that,

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated in this resolution, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.

- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

Effect on Previous Resolutions. This resolution supersedes resolution dated _____, If not completed, all resolutions remain in effect.

Certification of Authority

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions stated above and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

☐ If checked, the Corporation is a non-profit corporation.

In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on _____
(date).

Secretary

Attest by One Other Officer

For Financial Institution Use Only

Acknowledged and received on _____

(date) by _____ (initials)

☐ This resolution is superseded by resolution dated _____

Comments: