



Town of Ladysmith
FINANCE DEPARTMENT

**Request for Proposals
No. 2025-FIN-01**

CORPORATE BANKING SERVICES

For further information
please contact:

Erin Anderson
Director of Financial Services
250-245-6402
eanderson@ladysmith.ca

RFP Issue Date: April 24, 2025
RFP Closing Date: May 22, 2025 at 1:30pm
RFP Opening: May 22, 2025 at 1:45pm
Location of Bid Opening: Ladysmith City Hall

1. Introduction

Pursuant to Council's Purchasing Guidelines Policy, the Town of Ladysmith is seeking proposals for the provision of Corporate Banking Services for our organization. We invite your firm to complete and submit a formal proposal for the Town's Corporate Banking Services.

The purpose and intent of this process is to obtain high quality banking services at a competitive price and in a timely, efficient manner.

Background

The Town of Ladysmith serves a population of 8,900 (Statistics Canada, 2021). Our annual capital and operating budget for 2024 is in excess of \$30 million dollars. The Town employs approximately 80 people.

Currently, the Town's financial services are provided by the Ladysmith and District Credit Union. The current monthly/annual fee for this service is \$0.

The latest audited Financial Statements can be found on the Town's website at www.ladysmith.ca.

The following are excluded Banking Services:

- Purchasing Cards
- Point of Sale
- Investment Services

The Town maintains the following bank accounts:

- General, US funds, Cemetery Care, Parks & Recreation, Restricted Reserves, Reserves, Development Cost Charges, and four other accounts are required by agreements.

Cash, Cheques, Debit Cards, Credit Cards:

- Cash, Cheques, and Debit Cards are accepted at many Town facilities. Credit Cards are accepted at Frank Jameson Community Centre and online via Option Pay with settlement into Town accounts.

2024 Activity Levels:

- a) \$15 million in total annual property tax
- b) \$5.3 million in Sale of Services
- c) \$2 million in other revenues

2.0 Required Project Deliverables:

- 2.1 The Town of Ladysmith is soliciting proposals from corporate financial institutions to provide all core banking services, including but not limited to:
- a) Daily banking services;
 - b) Accepting pre-authorized payments into the Town's accounts;
 - c) Accepting online banking payments into the Town's accounts;
 - d) Providing online banking for vendor payments;
 - e) Providing government remittances online;
 - f) Ability to transfer online between Town's accounts;
 - g) Providing electronic funds transfer for payroll; and
 - h) Providing electronic funds transfer for vendors.
- 2.2 The Town currently maintains a number of accounts of varying size, transaction volume and functions. For the financial purposes, the Town's accounts are consolidated into one net position. The Town expects to earn interest on the combined net cash balances of its accounts with interest credited to each account.
- 2.7 The Town is interested in other enhancements to business process and customer services.

3.0 Response Content

- 3.1 All respondents should include the following information in the format of Schedule 'B'. Respondents may submit additional pages describing how each requirement will be met. References from other local governments, located in British Columbia, requiring similar services is required.
- 3.2 The response must include the branch at which the Town's accounts will be located.
- 3.3 The response must include information in respect to:
- a) your proposed transition plan for transferring core financial services, as well as any cost associated with the transfer;
 - b) the resources that you would dedicate to the transition;
 - c) the resources that the Town would need to provide;
 - d) any technical and/or system issues that would have to be resolved; and

- 3.4 The response must indicate:
- a) if same-day credit for deposits made in-branch during banking hours is provided and the arrangements for receiving the deposit;
 - b) if deposit bags, coin rollers and deposit slips are supplied by the Financial Institution, and if there is a cost;
 - c) the timeline and procedures for prompt investigation of missing deposits, and back-dating of associated lost interest;
 - d) that you assume the responsibility for validity of the cheque body, figure, date and signature;
 - e) the timelines on tracing requests regarding NSF cheques and charge back; and
 - f) the Canadian financial institutions that you will receive customer payments, and the associated costs of receiving the payments.
- 3.5 The response must indicate if you offer the service of securely depositing cheques to business account for same day process, remotely without the requirement to bring the cheques to the bank for deposit, and the cost to set-up and provide the service.
- 3.6 The response must indicate/include:
- a) if you can meet or exceed the requirements of the pre-authorized payment plan;
 - b) the timelines to receive pre-authorized file to meet the processing deadlines;
 - c) a description of the conversion of the existing pre-authorized payment plans to reduce impact on the Town and the Town's customers;
 - d) an outline of the resources available to assist in expanding the program, including costs the municipality would bear; and
 - e) any technical issues that might arise during the conversion or by offering the service.
- 3.7 The response must indicate/include:
- a) if you can meet or exceed the reporting requirements;
 - b) a description of your on-line functionality;
 - c) a demonstration of your online system functionality if requested by the Town as part of the valuation process; and
 - d) the security standards and procedures that will be used to ensure the protection of confidential and sensitive Municipal data.
- 3.8 The response may include other services or opportunities not listed in this RFP to enhance the Town's business practices and/or customer service levels. Such services and opportunities should be clearly detailed and list any associated costs to provide the service or opportunity.

3.9 The response must include all associated costs, not identified in Schedule 'B', which you anticipate the Town would incur.

4.0 Enquiries

All enquiries related to this "Request for Proposal" are to be directed to:

Erin Anderson, Director of Financial Services
eanderson@ladysmith.ca
250-245-6402

Enquiries and responses will be recorded and will be made available, by request, to all proponents for examination.

A proponent's meeting will not be held.

5. RFP Addenda

It is the responsibility of the proponents to check periodically for any addenda that may be issued by the Town of Ladysmith. Addenda will be posted on the Town of Ladysmith website (www.ladysmith.ca/city-hall/bid-opportunities) and on BC Bid.

6. Proposal Submissions

Proponents are requested to submit their sealed proposals **no later than 1:30 pm on May 22nd, 2025** to the attention of:

Sue Bouma, Manager of Corporate Services
Town of Ladysmith
410 Esplanade - PO Box 220
Ladysmith, BC V9G 1A2

Sealed proposals must be submitted on the Forms provided and will be received by the receptionist at the main reception desk of City Hall. The Town is not responsible for the timely receipt or adequacy of any submission, and late receipt of Proposals will be cause for rejection of a Proposal.

All submissions must be clearly marked "Request for Proposals No. 2025-FIN-01".

The successful bidder will be required to obtain and provide proof of the following:

- A current business licence for operating in the Town of Ladysmith
- A Clearance Letter from WorkSafe BC that confirms they are registered and in good financial standing with WorkSafe BC
- Minimum \$2 million liability insurance with the Town of Ladysmith named as additional insured
- Federal, provincial and municipal permits when and where applicable

Submissions in response to this RFP will be opened publicly at the Town of Ladysmith City Hall on **May 22nd, 2025 at 1:45pm.**

The Town reserves the right to accept or reject any or all Proposals either whole or in part at any time, or waive formalities in, or accept a Proposal either whole or in part which is deemed most favourable in the interest of the Town. The Town will be under no obligation to proceed further with any submitted Proposal and, should it decide to abandon same, it may, at any time, invite further proposals for the supply of the described services or enter into any discussions or negotiations with any party for the provision of the services. No alterations, amendments or additional information will be accepted after the closing date and time unless invited by the Town.

The lowest or any submission in response to this RFP will not necessarily be accepted. The bids will be considered on their merits and it is not the intention of the Municipality to buy on price alone.

The Town of Ladysmith Purchasing Policy entails the following Principles of “Best Value”:

- Procure the goods and services requirements of all departments in an efficient, timely and cost effective manner while maintaining the necessary controls;
- Engage in an open bidding process wherever practical;
- Ensure maximum value is obtained during the acquisition of goods and services. The concept of maximum value includes the value derived from social impacts (See desired Community Benefit Goals below). Where applicable, the total cost of the goods and services purchased should be taken into account. Total cost may include but not be limited to acquisition cost, disposal cost, residual value, training cost, maintenance cost, product performance, social impact and environmental impact;

Community Benefit Goals:

Economy

- Demonstrate job creation within the local area, which is defined as the Cowichan Valley Regional District and the Regional District of Nanaimo.
- Contribute to a stronger local economy (buy local)

- Increase training and apprenticeship opportunities
- Provide work experience and employment opportunities for youth aged 15 to 24
- Ensure that a Living Wage for the local area is paid

Public Spaces

- Enhance community recreation, arts and/or culture infrastructure
- Improve and enhance public spaces
- Improve access to public spaces for people living with disabilities

Environment

- Demonstrate that work undertaken exceeds requirements for environmental standards
- Take into account wherever practical the commitment to social responsibility, protection of the environment, and energy conservation;
- Ensure the acquisition of goods and services meets the requirements of applicable legislation and trade agreements, including the New West Partnership Trade Agreement, and the Agreement on Internal Trade; and
- Ensure that maximum value is realized when disposing of surplus goods, materials and equipment.

Submissions must follow the Proposal Format as outlined in Schedule B of the RFP.

7. Evaluation Criteria

The Town will evaluate Proposals based upon but not limited to, the following:

- Quality of the proposal (5 points)
- Demonstrated alignment to the Town's Community Benefit Goals (5 points)
- Demonstrated proven experience (10 points)
- Business and technical reputation and capabilities (10 points)
- Accessibility and responsiveness (20 points)
- Costs (35 points)
- Ease of conversion and transitional requirements (10 points)
- Proponent's innovative ideas (5 points)
- Reference checks (pass/fail)

Proposals will be reviewed and evaluated by a selection committee comprised of Town staff. During the evaluation process any or all of the proponents may be invited to give written or oral presentations and/or participate in interviews with the committee.

8. Ownership of Proposals

All Proposals and subsequent information materials shall become the property of the Town of Ladysmith after the closing date and time and will not be returned.

The Proposals will be held in confidence by the Town subject to the provisions of the Freedom of Information and Protection of Privacy Act. This Request for Proposals and all associated documentation is the property of the Town of Ladysmith and shall not be copied or distributed without the prior written approval of the Town.

Schedule A **Scope of Service**

The objective of this Request for Proposal (RFP) is for a Corporate Banking Services for the Town of Ladysmith (Town). The Town is seeking a business solution that provides the highest interest on deposit while charging the least amount of money to hold the Town's various funds.

To support these objectives, the Town has identified a number of fundamental requirements that will be included in the contract. Proponents are advised that by submitting a Proposal they are agreeing that the Contract to be negotiated will incorporate substantially all of the fundamental requirements, as follows:

Canadian Financial Institution

The Provider will be a Canadian financial institution or a service provider to a Canadian financial institution. For the purpose of this requirement, "financial institution" means a bank listed in Schedule I, Schedule II or Schedule III of the Bank Act, or a credit union incorporated pursuant to the Credit Union Incorporation Act or a trust company incorporated pursuant to the Financial Institutions Act.

Core Requirements

The Town requires the following **deposit-related services**:

- a) Same-day credit for deposits made in-branch during banking hours;
- b) Deposit bags, deposit slips and coin rollers supplied by the Financial Institution;
- c) Prompt investigation of missing deposits, and back-dating of associated lost interest;
- d) Assumption of responsibility for validity of the cheque body, figure, date and signature;
- e) Prompt response to tracing request regarding NSF cheques and charge backs;
- f) Securely deposit cheques to business account for same day process, remotely without the requirement to bring the cheques to the bank for deposit, reading MICR line and capturing images of the front and back of the items; and
- g) Receive online bill payment from customers of multiple banks and credit unions at no cost to the Town.

The Town requires the following **payment-related services**:

- a) Online access to all accounts;
- b) Ability to implement stop-payments electronically from a Town workstation, and to report these stop-payments with date and time to the Town;
- c) Assumption of responsibility for validity of the cheque body, figure, date and signature;
- d) Fraud detection, investigation and return of any counterfeit or altered payments;
- e) Bi-weekly and monthly direct deposit to employee bank accounts;

- f) Monthly pre-authorized withdraws for specific vendors; and
- g) Electronic File Transfers to specific vendors utilizing VADIM software.

The Town requires the following **pre-authorized payment program-related services (AFT)** using VADIM software:

- a) Continuation of the monthly pre-authorized payment for tax accounts with the Town taking responsibility of the enrollment and administration of the program. The Town will create a file using corporate software and the financial institution will validate the file, advise of any errors for correction, and collect the funds and deposit them into the Town's account; and
- b) Continuation of the quarterly pre-authorized payment for utility accounts with the Town taking responsibility of the enrollment and administration of the program. The Town will create a file using corporate software and the financial institution will validate the file, advise of any errors for correction, and collect the funds and deposit them into the Town's account.

The Town requires accepting **online bill payments** services as follows:

- a) Continue accepting the online bill payments for property tax accounts and utility accounts; and
- b) Expand acceptance of online bill payments for Accounts Receivables and Business Licences.

The Town requires the following reporting-related services:

- a) Fully secured, real-time, 24-hour online access to all Town accounts by up to 8 staff with two levels of authority, including:
 - i. Daily and monthly reports (must be searchable);
 - ii. Detail and summary reports (must be searchable); and
 - iii. Historical data.
- b) Within five (5) working days of a month-end, provide a complete statement of debts and credits for the prior month;
- c) Clearly label the debits and credits that pass through the Town's accounts to identify the transaction in order to facilitate the Town's accounting processes; and
- d) Clearly report and provide options for exporting remote cheque deposit batch files.

Town requires the **online ability**:

- a) Reporting (as above);
- b) Two administrators to:
 - i. Set different levels of security;
 - ii. Create, add, modify and delete users and another administrator; and
 - iii. Apply different levels of security of specific accounts;

- c) File Transfer ability; and
- d) Stop payments.

Schedule 'A-1' Technical & Functional Requirements

Overview

The Town uses the CentralSquare–Vadim iCity financial suite of integrated modules. Implemented modules include: General Ledger, Cash Receipting, Bank Reconciliation, Payroll and Accounts Payable.

Specific Requirements

The Provider will be required to transfer transactional data for vendor payments at a specified level of detail via a defined file format from the Town's financial system.

The Provider will be required to transfer transactional data for deposit at a specific level of detail via a defined file format into the Town's financial system.

Transition and Implementation

During the transition and implementation period, the Provider will submit bi-weekly written status reports to the Town, which will outline:

1. overall summarization of progress;
2. tasks completed;
3. tasks remaining, progress, and expected delivery on each task;
4. issues and concerns affecting specific tasks;
5. transition and implementation schedule; and
6. any other relevant aspect of the transition and implementation.

Contract Administration

The Provider will designate an account representative who will be the Provider's primary point of contact with the Town for all matters related to the delivery of the Services.

Schedule B
Must be completed and included in Proposal submission

1. Interest rate – to be credited to the Town’s account

ACCOUNT	ESTIMATED MONTHLY BALANCE	Notes	INTEREST RATE (guaranteed for 3 years)
General Account	\$ 25,000,000	<i>Will be the Town’s main operating account</i>	
Parks & Recreation Account	\$20,000	<i>Balance to be moved to General Account by Town staff</i>	
Gas Tax	\$1,750,000	<i>Monthly transfer by Town staff</i>	
Cemetery Care	\$180,000	<i>Additions made. Interest withdrawn once a year.</i>	
Reserves -DCCs -Restricted -Other -3 others by Agreement	\$7,500,000 \$140,000 \$5,000,000 \$190,000	<i>Monthly transfer by Town staff.</i>	
US Funds	\$160,000	<i>1-2 transactions per year</i>	

2. Service Requirements

Service offered	Yes/no	Provide details and costs
Securely deposit cheques to business account for same day process, remotely without the requirement to bring the cheques to the bank for deposit.		

3. Service Fees

SERVICE	Estimate monthly volume (number)	Estimate monthly volume (value) \$	Service Provided (yes/no)	Cost per year \$
Deposits:				
Cheques	56	216,000		
Cash & Coin	31	10,000		
Wire Transfers	1	5,000		
Returned Items	2	varies		
Pre-Authorized Deposits – utility		120,000 (per quarterly)		
Pre-Authorized Deposits – property tax		57,000 (Monthly for 10 months)		
Accepting online bill payment options – existing (property tax & utility accounts)	290	115,000		
Accepting online bill payment options: future (business licences & receivables)				
Payments:		Per Occurrence		
Cheques (bi-weekly)	52	varies		
Online vendor payments/ Pre-authorized withdrawal	21	524,000		
Bi-weekly Electronic File Transfer (payroll)		200,000		
Monthly Electronic File Transfer (payroll)		22,000		
Bi-weekly Electronic File Transfer (vendor)		620,000		
Stop payments	Minimal	Minimal		
Wire Transfers	Minimal	Minimal		
Drafts	Minimal	Minimal		
Certified Cheques	Minimal	Minimal		
Other:				
Printed Monthly Statements				
Trace on invalid EDI payment received				
Online Access				
Estimated cost to transition				
Deposit bags, coin rollers, deposit slips				
TOTAL				\$