

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

Resolution No. 2023 - 14
June 20, 2023

WHEREAS, pursuant to the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (the Act of June 5, 1991, P.L. 9, No. 6), as amended by Act of July 7, 2022, P.L.440, No.36 ("Act 36 "), the Pennsylvania Intergovernmental Cooperation Authority (the "Authority") is authorized to maintain a Depository Account for City of Philadelphia Revenue Deposits with a banking institution; and

WHEREAS, under the Act and the Bylaws of the Authority, the Authority is authorized to contract for services upon the vote of a qualified majority of the governing board of the Authority; and

WHEREAS, following the issuance by the Authority of a Request for Proposals (the "RFP"), for a Depository Account for the Revenue Fund, the Authority received proposals from several banking institutions, and after careful review of the proposals in accordance with the evaluation factors set forth in the RFP, has determined that Firsttrust Bank is the best qualified to provide the Depository Banking Services and that its proposal, dated June 14, 2023 (the "Proposal"), a copy of which is attached hereto as Exhibit "A", to provide the Depository Banking Services for the Authority for the fiscal year beginning July 1, 2023, with four, one-year renewal options, is in the best interest of the Authority; and

WHEREAS, the Authority has received a proposal from Firsttrust Bank dated June 14, 2023 (the "Proposal"), to provide Depository Banking Services for the Authority with four additional, one-year renewal options to be exercised by the Authority, a copy of which Proposal is attached hereto as Exhibit "A"; and

WHEREAS, the board of the Authority desires to authorize the engagement of Firsttrust Bank to provide the Services in accordance with the Proposal;

NOW THEREFORE, BE IT RESOLVED:

1. The board of the Authority hereby approves the appointment and engagement of Firsttrust Bank to provide Depository Banking Services to the Authority for four consecutive fiscal years beginning with the fiscal year ending June 30, 2024, and hereby authorizes the acceptance of the Proposal by the Authority.
2. The proper officers of the Authority are hereby authorized to prepare, execute, deliver and file any and all documents, instruments, agreements, certificates and other papers of

any kind whatsoever, and to do any and all other acts or things, that are necessary or appropriate in order to carry out the intent and purposes of this Resolution.

3. The Authority hereby ratifies and confirms any and all prior actions taken by or on behalf of the Authority consistent with the intent of this Resolution.

4. All prior resolutions or parts of prior resolutions not in accordance with this Resolution are hereby repealed insofar as they conflict herewith.

5. This Resolution shall take effect immediately.

MOVED: Mr. Burns

SECONDED: Mr. Karp

APPROVED: Yes

Qualified Majority Required: Y x N

Vote:	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Burns	<u>X</u>	<u> </u>	<u> </u>
Karp	<u>X</u>	<u> </u>	<u> </u>
Kessler	<u>X</u>	<u> </u>	<u> </u>
Sutch	<u>X</u>	<u> </u>	<u> </u>
Vaughan	<u>X</u>	<u> </u>	<u> </u>

EXHIBIT "A"



June 14, 2023

Executive Summary and Narrative:

Firsttrust Bank appreciates the opportunity to present this response to the Pennsylvania Intergovernmental Cooperation Authority

Since our beginning almost 90 years ago, Firsttrust Bank has been committed to serving the financial needs of the greater Philadelphia region. Our mission is simple - to cultivate prosperity for our customers and the communities we serve. We do this by listening to our customers and developing long term relationships, often lasting for generations. From large operating companies, real estate developers and manufacturers to local physicians and contractors - Firsttrust is honored to have helped local school districts, municipalities, tax collectors and thousands of businesses achieve success in the very region we call home.

In 1934, Samuel A. Green opened the doors of the first branch in South Philadelphia, at the height of the Great Depression, under the name First Federal Savings and Loan of Philadelphia. Now a full-service commercial bank, Firsttrust serves public interests, business owners, and entrepreneurs throughout Southern New Jersey, Southeastern Pennsylvania, Delaware, and Maryland.

Firsttrust has been family-owned and part of the community for all its 89 years. Three generations of the Green family - Samuel A., Daniel B. and Richard J. - have been at the bank's helm during that time. Their legacy has been one of stability and strength.

The following outlines banking services proposed to PICA, highlighted by:

- A coupon rate of 5% on deposited funds guaranteed through September 30, 2023
- A quarterly review of the interest rate thereafter
- No monthly service charges for up to 30 wire transfers per month
- Free online banking
- Deposits will be collateralized and secured as Public Funds

Thank you for taking the time to review Firsttrust's response. Please contact me if you have any questions.

Sincerely,

Mark Tierney

Senior Vice President

Commercial Banking

mtierney@firsttrust.com

mobile: 215.416.1920



**OFFICIAL BANK OF THE
PHILADELPHIA EAGLES**



Understanding of the Project Requirements/Scope of Services/Schedule

Firsttrust Bank is an authorized depository for Commonwealth of Pennsylvania funds and is prepared to accept wire transfers, on a weekly basis or more often. Firsttrust will also be prepared to remit several wire transfers, at PICA's instructions, on a weekly basis. PICA will be provided on-line wire transfer instructions and security measures to remit the wire transfers. It is Firsttrust's understanding that the total wire transfers will range in the vicinity of \$8MM to \$25MM each week.

Firsttrust understands the arrangement will be a one-year contract with options for three one-year renewals, at PICA's option.

Firsttrust will be responsible for safekeeping assets and deposits, arranging transactions, collecting interest income and providing accounting and reporting services. Firsttrust will create, maintain, and retain all records relating to the deposits, transfers and interest earnings on the account under Generally Accepted Accounting Principles (GAAP) and also provide online access to monthly activity statements and reports.

Proposed Work Plan and Statement of Deliverables

As a full-service commercial bank, Firsttrust brings the expertise needed to meet the banking needs of PICA. With our on-line capabilities and security measures, PICA will be able to efficiently move money via wire transfer on a weekly basis. When wire transfers are received, PICA will be able to view the credit through its Firsttrust internet banking portal. Outgoing wire transfers and templates can also be securely created through internet banking. Firsttrust also takes more steps than many institutions to keep outgoing wires secure. Before a wire is sent, Firsttrust will call a PICA representative, designated by PICA, to confirm the outgoing wire transfers.

The wire transfers can be submitted on-line anytime and will be processed during normal business hours (up to 4:45pm Eastern Time). Exceptions for late processing can be considered by contacting PICA's Firsttrust Relationship Manager, Joanne Marchionni (bio below), or by contacting Firsttrust's Customer Care team.

Firsttrust processes hundreds of both incoming and outgoing wires daily for industries such as title/abstract agencies, law firms, financial managers, professional sports franchises, and more, who depend on the efficient processing of wires to run their businesses.



Financial Solvency

Since our inception in 1934, Firsttrust Bank has been devoted to delivering secure and reliable banking services. Our reputation is anchored in the core principles of financial stability, judicious risk management, and a conservative credit culture. These time-tested values have propelled our success and equipped us to successfully navigate even the most tumultuous economic periods.

As a privately held bank, we customarily refrain from publishing quarterly financials. However, considering the prevailing concerns within the banking sector, we recognize the importance of providing this information. We ask that a non-disclosure agreement be negotiated between PICA and Firsttrust if PICA would like a copy of Firsttrust's audited financial statements.

As initial steps:

- Firsttrust has [quarterly published financial information here](#).
- Firsttrust's publishes financial statements for year-end 2021 and 2022. They are available on our website: <https://www.firsttrust.com/about>
- Firsttrust files a call report with the FDIC quarterly. The latest can be found here: <https://cdr.ffiec.gov/public/ViewPDFFacsimile.aspx>

For an independent perspective, Firsttrust is also proud of the ratings received by two independent ratings agencies:

- Bauer Financial gives Firsttrust its highest rating, 5 Stars:
 - <https://www.bauerfinancial.com/star-ratings/tell-me-more/?cert=26647&type=B&urlink=www.firsttrust.com&instname=Firsttrust+Savings+Bank+-+Conshohocken%2C+PA>
- IDC Financial Publishing rates Firsttrust in its highest category of "Superior":
 - <https://www.idcfp.com/>

Further, as a private company, our operations are unaffected by the ongoing short-selling activity in the market, particularly in the banking sector, as there are no publicly traded shares. This investment strategy employed by some can become destabilizing to banks, but we are not subject to that kind of market manipulation.

Our capital and our liquidity are and remain strong.

As of March 31, 2023, the Bank had just under \$525 million in cash and another \$500 million in readily marketable securities, thereby providing for sufficient liquidity to meet any eventuality.

In addition, our total capital grew to \$487 million during the first quarter as we posted net income of \$25 million.



Our capital level includes the mark to market adjustment in our securities portfolio and we have determined that even if all our securities had to be sold at current market prices, Firsttrust would still well exceed the ratios required to be rated well-capitalized.

Our conservative credit culture has been instrumental in ensuring our long-term stability. Our lending practices emphasize rigorous underwriting standards and responsible risk-taking. This approach has allowed us to weather economic storms and provide unwavering support to our customers throughout our history.

At Firsttrust Bank, we understand the trust you place in us to safeguard your hard-earned money, and we never take this responsibility lightly. Our commitment to safe and sound banking practices has been the cornerstone of our success for nearly a century, and we remain dedicated to serving you with the same level of integrity and security.

Firsttrust has had no bankruptcy filings.

Disclosure of Litigation; Disclosure of Administrative Proceedings

For the five year period preceding the date of this solicitation, there are no judicial or administrative proceeding, involving Firsttrust Bank, that is material to Firsttrust's business or financial capability or to the subject matter of this solicitation, or that could interfere with Firsttrust's performance of the work requested by this solicitation, including, but not limited to, any civil, criminal or bankruptcy litigation; any debarment or suspension proceeding; any criminal conviction or indictment; and any order or agreement with or issued by a court or local, state or federal agency.

Non-discrimination/Sexual Harassment Clause

Firsttrust abides by all non-discrimination and sexual harassment provisions as outlined in the solicitation and remains compliant with relevant laws and statutes. Firsttrust maintains customary insurance coverage.

Firsttrust Team:

- Richard J. Green, Executive Chairman of the Board:
 - In the heart of the Great Depression, in what was his great grandmother's kitchen in South Philadelphia in 1934, Richard's grandfather, Samuel, established the First Federal Savings and Loan Association of Philadelphia – later to become Firsttrust Bank. Richard's father, Daniel, worked alongside his father for many years. Daniel succeeded his father as president and CEO in 1970, and in 1995 Daniel was succeeded as CEO by Richard. Richard earned several degrees including an undergraduate degree from Tufts, an MBA from Wharton, and a JD from the University of Pennsylvania.



Under his leadership, Richard fosters a sense of community at Firsttrust by supporting over 300 not-for profit organizations and through his family's foundation, the Green Family Foundation www.greenfamilyfoundation.org/

- Tim Abell, President & CEO
 - Tim joined Firsttrust in 2004 and brought 30 years of experience as a commercial lending and banking executive to the Firsttrust team. In 2007, Tim was the first non-Green family member named President of Firsttrust Bank. Tim was appointed to the Board of Directors in 2016. Tim was subsequently named CEO in 2022.

Tim is a graduate of the Indiana University of Pennsylvania and holds an MBA from Drexel University. He has held Board positions with the Greater Philadelphia Chamber of Commerce, Holy Redeemer Hospital, and LaSalle Academy. He has served as Chairperson of the American Heart Association Heart Walk Philadelphia and as President of the Philadelphia Chapter of the Risk Management Association and the United Cerebral Palsy Association of Philadelphia.

- Mathew Hein, Executive Vice President, Executive Director of Commercial Banking
 - Matt leads Firsttrust's Commercial Banking efforts. He joined Firsttrust in 2016 and has been a leader in the banking industry for more than 20 years. Matt earned his BA in Management from California University of Pennsylvania as a PSAC Scholar Athlete and attended Babson College's Executive Leadership Program. In the community, Matt serves on the Board of the Greater Norristown Police Athletic League and Montgomery County Child Advocacy Project.

- Mark Tierney, Senior Vice President, Director of Commercial Deposits
 - Mark began his banking career in 1985 and joined Firsttrust in 1995. Mark earned his undergraduate degree from Holy Family University and his MBA from LaSalle University. He further graduated from the ABA/Stonier Graduate School of Banking and earned a Leadership Certificate from The Wharton School's Aresty Institute of Executive Education

Mark serves on the Boards of Variety the Children's Charity and volunteers as a Team Captain for the Eagles Autism Challenge and as a coach with Doylestown Athletic Association.



- Joanne Marchionni, Vice President, Commercial Banking Relationship Manager
 - Joanne earned her Bachelor of Science in Mathematics from Chestnut Hill College and has been with Firsttrust Bank for twenty-six years. She has an extensive background in operations and management, as well as capital markets and credit analysis. Currently, Joanne is part of the Bank's Commercial Deposit Team concentrating on large deposit relationships at both the individual and corporate level. Joanne has a commitment to ensuring each client's needs are met timely, accurately, and professionally.

Relevant Project Experience and References

Firsttrust also counts labor unions, school districts, municipal tax collectors, and bridge commission among the many "public" entities who trust Firsttrust to securely manage their deposits and pay market returns.

PICA is welcome to contact any or all of the following clients to get first-hand references as to our relevant project experience:

- a) Philadelphia Eagles
One Novacare Way
Philadelphia, PA 19145
Attn: Frank Gumienny, COO
gumienny@eagles.nfl.com
215-339-6894
- b) Philadelphia Federation of Teachers
1816 Chestnut St
Philadelphia PA 19103
Attn: Arthur Steinberg, Chief Trustee
asteinberg@pfthw.org
267-255-5008
- c) Colonial School District
230 Flourtown Rd
Plymouth Meeting, PA 19462
Attn: Mark Digian, CPA
Financial Manager
mdigian@colonialsd.org
610-834-1670 ext. 2120



d) Northeast Executive Abstract Agency, Inc
479 York Rd
Suite C
Jenkintown, PA 19046
Attn: Stephen J. Izzi
Founder
sizzi@nexabstract.com
215-380-2300

e) Michael Klein, Upper Dublin Tax Collector
1517 Corsley Ct
Maple Glen, PA 19002
Attn: Michael Klein
Mikeklein13@gmail.com
215-643-8282

Pricing/Fee Proposal

- For the services and balances listed in the solicitation, Firsttrust offers PICA a Business Money Market Account with up to 30 wires per month (incoming or outgoing) and online banking at no charge.
- Firsttrust will pay PICA an annual rate of 5% from date of opening through September 30, 2023. Firsttrust will review the rate quarterly with PICA thereafter and adjust to market conditions.
- A fee schedule for miscellaneous service fees not listed in the solicitation can be found at https://www.firsttrust.com/firsttrust/media/PDFs/Account%20Agreements/Commercial_Fee_Schedule.pdf
- It is understood and acknowledged that 100% of deposits will be collateralized and secured in accordance with applicable law.