

REQUEST FOR PROPOSAL
Banking Services
City of Union City, New Jersey

I. Background

The City of Union City is seeking proposals from financial institutions to provide the City's primary banking services.

The City anticipates awarding the services for five years in December 2015 effective 01/01/16 – 12/31/20. The fees/formulas/services indicated in this proposal are those which will be in effect for the duration of the contract. The bidder certifies that any fees or formulas for affixing the rate of interest or providing services will remain in effect for the duration of the contract.

One (1) original and (3) copies marked "A Proposal for General Banking Services" will be received no later than Tuesday December 8, 2015 by 11:00AM ET.

City of Union City
Dominick Cantatore, City Clerk
3715 Palisade Avenue
Union City, NJ 07087

A CD Copy of the proposal may be submitted in addition to the required hard copies mentioned above.

Nothing herein is intended to exclude any responsible firm or in any way restrain or restrict competition. On the contrary, all responsible firms are encouraged to submit proposals.

All proposals submitted shall be binding for ninety (90) calendar days following the above due date.

Proposals received by the City after the time specified will not be considered.

All information required by the "Request for Proposal" must be submitted to constitute a valid proposal.

The Chief Financial Officer will review and evaluate all proposals submitted in response to the "Request for Proposal". Based on the results of this evaluation, the Chief Financial Officer will make a recommendation to the City. A contract will then be negotiated with the highest rated proposer and presented to the Board for approval.

II. Terms of the Banking Agreement:

- A. The effective date of the agreement is anticipated to be January 1, 2016.
- B. Proposals will be accepted from parties which:

1. Have the capacity to provide services with an experienced professional staff.
 2. Are fully qualified as a "Public Depository" pursuant to NJSA 17:9-41, or otherwise known as the Governmental Unit Protection Act.
Please submit a copy.
- C. The City requires all banking institutions submitting a proposal to have a satisfactory rating by Federal examiners under the Federal Community Reinvestment Act (CRA). Please submit a copy.
- D. The City is not liable for any costs incurred in the preparation of proposals.
- E. The City reserves the right to conduct personal interviews or require oral presentations of any or all proposers prior to selection. The City will not be liable for any costs incurred by the proposer in connection with such interviews. (i.e. travel, accommodations, etc.).
- F. By submitting a proposal, the proposer certifies that they have fully read and understands the "Request for Proposal" and have full knowledge of the scope, nature, quantity and quality of the work to be performed.
- G. The proposer shall furnish such additional information as the City of Union City may reasonably require. The City reserves the right to make investigations of the qualifications of the proposer as it deems appropriate.
- H. The City reserves the right to reject any/or all proposals or to informally negotiate certain points of the final contract with a qualified proposer. The City reserves the right to split the relationship among different financial institutions if such would provide the City an overall cost savings. The City reserves the right to waive minor irregularities in the procedures. The City further reserves the right to seek new proposals when such a procedure is in its best interest. The City shall not be obligated to provide reasons for the rejection of any proposal.
- I. The City does not guarantee any minimum or maximum volume activities or balances. All vendors are to indicate unit prices for all services. Failure to submit all information requested will be considered non-responsive and may be disqualified.
- J. The financial institution must submit a copy of their NJ Business Registration Certificate.
- K. Services and pricing must be guaranteed and locked in for five years.

III. Evaluation of Proposals:

The contract will be awarded to the institution that best meets the needs of the City. The following criteria will be used but not limited to for the evaluation of this proposal:

- A. Responsiveness of the proposal related to the scope of work.
- B. Ability, capacity and skill of the financial institution to perform the services on a timely basis.
- C. Response to client references
- D. Experience of the financial institution in establishing and maintaining similar accounts.
- E. Physical proximity of the City Municipal Building to banking locations within the City.
- F. Net earnings potential.
- G. The reputation, stability, and longevity of the institution.
- H. The quality, availability, and adaptability of the services to the particular need required.

IV. Required Services for Responding Financial Institutions:

General

The banking services detailed in this section are to be performed for the City of Union City. The City reserves the right to terminate such contract by giving ninety (90) days advance written notice.

It is the intent of the City to have one single banking institution provide all of the general banking service needs of the City (except for services such as escrow accounts, investments, short and long term loans, lease financing, etc. which will be negotiated separately).

The award of banking services and credit/debit payment services may be made to more than one institution. This may be done in the event that one institution does not meet the requirements or has not bid all of the items listed, or in the event that using more than one institution will result in a cost savings to the city.

The City expects the following accounts to be linked together to aggregate earnings credits, against which charges will be deducted:

1	<i>Current Fund: Claims Account</i>	12	<i>Other Trust Fund: Other Trust Account</i>
2	<i>Current Fund: Federal & State Grant Account</i>	13	<i>Other Trust Fund: HCLET</i>
3	<i>Current Fund: Salary Account</i>	14	<i>Other Trust Fund: EMS UC Redevelopment Agency</i>
4	<i>Current Fund: Payroll</i>	15	<i>Other Trust Fund: EMS Lockbox Account</i>
5	<i>Current Fund: Current</i>	16	<i>Other Trust Fund: POAA Account</i>
6	<i>Capital Fund Trust: Capital Fund</i>	17	<i>Other Trust Fund: Tax Collector Escrow Account</i>
7	<i>Special Revenue Fund: Special Revenue</i>	18	<i>Other Trust Fund: Union City Fire Victims</i>
8	<i>Special Revenue Fund: Special Revenue</i>	19	<i>Other Trust Fund: COAH Union City</i>
9	<i>Animal Control Trust: Dog License</i>	20	<i>Other Trust Fund: DEA Trust</i>
10	<i>Public Defender Trust</i>	21	<i>Other Trust Fund: Developers Escrow</i>
11	<i>CDA Trust</i>	22	<i>Other Trust Fund: Master Developers Escrow</i>

The Following accounts will stand alone and earn interest individually:

<i>FUND</i>	
1	<i>Current Fund: State of NJ Cash Management Fun</i>
2	<i>Current Fund: Investment Account</i>
3	<i>Current Fund: NJ/ARM</i>

The total property tax levy for calendar year 2014 was approximately \$66,000,000. All tax collections and other receipts are deposited into the Current Fund Account.

The Current Operating Budget for 2015 is \$110,000,000.

The City issues approximately 2,900 checks annually (excluding payroll checks). None of these accounts will require check printing services provided by the bank.

Payroll

The City currently uses Action Data Services for their payroll which is processed bi-weekly. The annual cost for 2014 was approximately \$125,000. The cost associated with ADS will not be part of the City budget but rather a cost absorbed by the financial institution which has the payroll account. ADS will send their bill to the City for approval. The City will then forward the approved bill to the bank for further payment to ADS. Approximately 8,100 payroll checks are issued annually. There are approximately 14,000 direct deposited transactions annually.

The City requires the successful banking institution to coordinate with ADS to obtain the City's direct deposit information in the required ACH format. There will be no fees charged for payroll checks cashed at a local branch. The financial institution will also provide City employee banking services.

Deposit

The successful banking institution will provide triplicate deposit slips, deposit bags and endorsement stamps to the City at no cost to the City.

On-Line Banking

As part of on-line banking, the successful banking institution must have the capability of providing for wire transfers, stop payments, ACH transfers, account transfers, monthly statement retrieval, detail of account activities, check detail look up capabilities including ability to print copy (front and back) of cancelled checks and detail of State of New Jersey direct deposits. The City currently has access to fourteen bank accounts on-line.

Wire Transfers

The successful banking institution must have the capability to originate incoming and outgoing wire transfers.

Account Statements

The successful banking institution will maintain the various City accounts, providing monthly statements along with all cancelled checks (or some report in compliance with CHECK 21) no later than the 10th day of the following month. The Current Account and Payroll Account cancelled checks will be provided on CD ROM only. The statement cutoff date for all accounts shall be the last day of the month. All accounts will receive monthly statements regardless of activity.

Positive Pay services are needed for the Payroll Account.

Interest on all accounts will be credited directly to operating accounts so designated.

The City expects the financial institution to provide at least next business bank day availability for checks being deposited in the City accounts.

The successful banking institution will provide monthly account analyses to include bank earnings credit, itemized fees, and interest earned to be credited to the City.

Record Keeping

The successful banking institution will be required to retain all records on microfilm and/or CD's for seven (7) years.

V. RFP Response Forms:

1. The cost proposals submitted to the City must be inclusive. Compensating balance levels, reserve requirements, etc. should be addressed. All services not mentioned or general services incidental to the operations of accounts maintained by the City and not addressed are expected to be provided at no cost.
2. In order to simplify and standardize all proposals, attached as Proposal Sheet "A" is a the most current Monthly Activity Form in the form of an account analysis, which must be used when submitting your proposal. The fees should be presented on a unit cost basis. Assume the activity estimated referred to throughout this document to be a reasonable estimate of activity to be experienced. The rate quoted per item by the proposer will be considered fixed, regardless of activity deviation. The City does not guarantee any minimum or maximum volume of activity.
3. A completed Proposal Sheet "B" must be submitted with your proposal. The township requests that all questions be answered and all information provided.

VI. Questions and Additional Information:

1. To ensure fair consideration for all responses, the City prohibits communication to or with any department, bureau or employee during the submission process except in writing.
2. Any questions relative to interpretation of specification of the RFP process should be submitted in writing to the attention of the City Clerk of the City of Union City:

City of Union City
3715 Palisade Avenue
Union City, NJ 07087
Att'n: Dominick Cantatore, City Clerk

Responses will be in writing and copied to all proposers as addenda to the RFP.

City of Union City
Proposal Sheet A
Monthly Activity Form
(This form must be completed and submitted with your proposal.)

Date: _____
Bank: _____
Contact: _____
Address: _____
Phone: _____
Fax: _____
Email: _____

BALANCE SUMMARY

Sep. 2015.

Average Ledger Balance	\$	30,296,519.30
Less Average Float	\$	619,058.40
Average Collected Balance	\$	29,677,460.90
Average Positive Collected Balance	\$	29,677,460.90
Average Negative Collected Balance	\$	-
Investable Balance Basis	\$	29,677,460.90
Less Federal Reserve Requirement at 10.000000%	\$	2,967,746.09
Less Other Balance	\$	-
Investable Balance	\$	26,709,714.81
Required Balance Basis	\$	26,709,714.81
Less Balance Required For Services	\$	7,056,827.35
Excess/Deficit Balance	\$	19,652,887.46

RESULTS SUMMARY

ANALYZED RESULTS

Earnings Credit at 0.500000% of Earnings Balance Basis	\$	10,976.60
Less Total Analyzed fees	\$	2,900.07
Analyzed Result	\$	8,076.53
Results Transferred In	\$	8,076.53
Waived Results	\$	(8,076.53)
Total Analyzed Result	\$	-
Total Fee Based Fees	\$	-
Fee Based Result	\$	-
Fee Based Results Trsferred In	\$	-
Total Fee-Based Results	\$	-
Interest Earned at 0.250000%	\$	4,038.26
Interest Transferred In	\$	4,038.26
Total Interest Results	\$	4,038.26

**City of Union City
Proposal Sheet A - Monthly Activity Form**

Item	Volume Sep. 2015.	Unit Price	Total Monthly Fee	*Required Balance	Comparative/Proposed Fee must submitted with proposal
Balances					
Deposit Administration Fee	30,297	0.0000	0.00	0.00	
General Services					
DDA Account Maintenance	19	10.0000	190.00	462,332.70	
Lockbox Services					
NY WLBX Maintenance	1	150.0000	150.00	364,999.50	
NY WLBX Standard Item	96	0.3600	34.56	84,095.88	
NY WLBX Deposit Fee	17	1.0000	17.00	41,366.61	
NY WLBX Per Check image	96	0.0500	4.80	11,679.98	
NY WLBX Per remittance image	741	0.2200	163.02	396,681.46	
Depository Services					
Cash Deposited Branch	531,281	0.0011000	584.41	1,422,062.39	
Remote Deposit License Fee	1	25.0000	25.00	60,833.25	
Deposits Credits	279	0.2000	55.80	135,779.82	
Items Deposited Encoded	3,344	0.0600	200.64	488,223.33	
Items Deposited Unencoded	666	0.0600	39.96	97,235.87	
Returned items	15	12.0000	180.00	437,999.40	
Adjustment/Deposit Corrections	1	5.0000	5.00	12,166.65	
Remote Deposit Items Processed	3,248	0.0600	194.88	474,207.35	
Remote Deposit Car Lar	1	15.0000	15.00	36,499.95	
Remote Deposit Maintenance	1	100.0000	100.00	243,333.00	
Paper Disbursement Services					
Checks Paid	1,097	0.0600	65.82	160,161.79	
Online Stop Payments	3	17.0000	51.00	124,099.83	
**Non Client checks cashed	0	0.0000	0.00	0.00	
General ACH Services					
ACH Originated Debit/Credit	1,055	0.1500	158.25	385,074.47	
ACH Received Debit	11	0.0600	0.66	1,606.00	
ACH Received Credit	127	0.0600	7.62	18,541.97	
ACH Return item	28	5.0000	140.00	340,666.20	
ACH Debit Filter Protection Maint	1	15.0000	15.00	36,499.95	
ACH Input-Batch Processed	2	0.0000	0.00	0.00	
ACH Prenotes	10	0.1500	1.50	3,650.00	
ACH Monthly Maintenance A	1	60.0000	60.00	145,999.80	
ACH Debit Protection-Blk All Debits	1	15.0000	15.00	36,499.95	
ACH Monthly Maintenance C	1	30.0000	30.00	72,999.90	
Wires And Transfer Services					
Online Book Transfer	38	3.0000	114.00	277,399.62	
Online Wire Transder Module Maint A	1	50.0000	50.00	121,666.50	
Incoming Wire Transfer	1	15.0000	15.00	36,499.95	
Information Services					
Info Svcs Monthly Maintenance A	1	75.0000	75.00	182,499.75	
Info Svcs Intraday Balance report A	1	0.0000	0.00	0.00	
Info Svcs Previous Day items A	1,423	0.0500	71.15	173,131.43	
Info Svcs Additional Accounts A	11	0.0000	0.00	0.00	
Info Svcs Additional Accounts A	7	10.0000	70.00	170,333.10	

Total Analyzed fees **2,900.07** **7,056,827.35**

* \$1.00 of fees is equal to \$2,433.33 of required balance

** Effective November 2015 (February 2016 for employees) non clients of the bank will be charged a \$7.00 fee for each check of \$100 or greater.

City of Union City

Proposal Sheet B

(This form must be completed and submitted with your proposal)

Date: _____

Bank: _____

Contact: _____

Address: _____

Phone: _____

Email: _____

A) The proposer must denote transaction cut off for deposits to be considered received that day and not carried forward to the next day. Indicate cut off time at branches and the following institution's main office.

B) The City requires a bank office in a convenient location where it can transact business. State the location of the branch within the City where the City would transact their business and the number of branches within a three mile radius of City Hall.

C) List the number of branches in the Organization, State & County.

D) State in detail your method of compensation to maintain proposed interest rates. i.e. compensating balances, expected volumes and/or balance levels etc. Do not state "no fees". Please provide formulas to support your method of compensation.

E) If volumes or balance levels change as stated in this RFP, will this impact interest rates or fees proposed in your response; i.e. minimum balance requirement, penalties for falling below minimum balance? If so, explain how.
Example: Activity is the same; however the balance drops by \$3 million.

F) Please state how interest is calculated and the interest rate formula.

G) Please indicate a rate history page for the past twelve months from September 1, 2014 – August 31, 2015. providing rates as of month's end, at a minimum.

H) Please provide a listing of comparable government client references, within this area, which are presently using the institutions professional services. Include their name, address, phone number, contact person and years of service.

I) The vendor shall provide a list of contact personnel within the bank who are qualified to provide information and assistance in the following areas on a daily basis.

- a. Relationship Manager
- b. Customer Service Support
- c. Cash Management
- d. Municipal Credit
- e. Merchant Services

J) The City is interested in any new technologies and/or products that would benefit and improve on any efficiencies in our day to day operations.

K) Indicate the institution's background in providing primary banking services to municipal units of government, in general, and specifically, to municipalities of similar size to Union City.

L) Please provide your understanding of the scope of the services to be performed.

M) Please provide as an attachment at the end of the proposal financial reports for the previous year as well as any other material that may be helpful in reviewing the proposal.

N) Attach additional sheets if required.