

CITY OF BOERNE, TX
REQUEST FOR PROPOSAL FOR BANKING SERVICES

I. INTRODUCTION

The City of Boerne is requesting proposals for a banking services contract to be awarded July 14, 2015, with service to begin October 1, 2015, and extend through September 30, 2018, with the option to extend this contract for two (2) additional one-year terms. The total term of this contract may not exceed five (5) years from the date October 1, 2015. Through this contract the City intends to minimize banking costs, improve operational efficiency, and maximize investment capabilities. This Request for Proposal (RFP) represents the cash management goals, specifies all banks' required qualifications, the banking services required, the estimated activity volumes on all accounts, the method and terms of compensation, submission instructions and the contract award provisions.

II. PROPOSAL INSTRUCTIONS AND QUALIFICATIONS

A. MINIMUM QUALIFICATIONS

To assure a close working relationship, to facilitate available services, and to support local business, the entity may give priority to those banks with full service capabilities within the City limits. Any required statement regarding equal opportunity and affirmative action should be included if required/desired. The proposal submitted will become part of the final contract.

B. PROPOSAL SUBMISSION INSTRUCTIONS

1. Proposal Format

In order to fully and equitably evaluate each bank's ability to meet the banking services needs of the City, a standard reply format is required. Each proposal must include a response to each item in the RFP in the order given. Only proposals submitted in the prescribed format and using the exhibit forms provided will be evaluated for contract award.

2. Submission Requirements

Those banks interested in submitting a proposal must notify the Finance Office at the City of Boerne by May 20, 2015. Sealed proposals will be accepted in the Finance Office, City Hall, 402 E. Blanco, Boerne, Texas until 3:00 p.m. Monday, June 1, 2015.

3. RFP Questions

Questions regarding this RFP or the service requested will be accepted in written form at the address below on or before 5:00 pm May 20, 2015. Responses to all material questions submitted will be communicated to each prospective bidder.

Angie Rios
Assistant Director of Finance
City of Boerne
P. O. Box 1677
402 E. Blanco
Boerne, Texas 78006
arios@boerne-tx.gov

4. Request for Proposal Amendments
Modifications or additions may be made as a result of questions submitted. Written notification of any such change will be made in writing to all known bidders.
5. Selection Criteria
Evaluation of proposals will be made on the basis of the following objectives:
 - Time deposit interest rates
 - Cost of Service
 - Service availability
 - Safety and creditworthiness of bank
6. Award of Bid and Service Initiation
The contract is to be awarded by City Council at its meeting July 14, 2015.

III. REQUIRED FINANCIAL INSTITUTION INFORMATION

All banks must provide, as part of the proposal:

- audited financial statements for the most recent fiscal year,
- a copy of the current call report, and
- a statement regarding any recent or foreseen merger or acquisition.

IV. REQUIRED BANKING SERVICES

This section lists all the services to be provided by the bank under this agreement. Attachment A-1 lists each of these services, and Attachment A-2 shows a history of volumes for each service. The bank should use Attachment A-1 to provide the specific price for each service.

- A. Consolidated Account Structure
If requested by the City, the bank is to provide a master consolidation account and zero balance accounts from which daily balance and detail reporting is available.
The City's current account structure contains the following accounts:
 - See Attachment B
- B. Wire Transfer Services
A standard wire transfer agreement will be executed with the bank. This proposal should

include a copy of your standard transfer procedures and wire transfer agreement. The City requires adequate security provisions and procedures. If the wire transfer requests are available on line, full information should be submitted detailing the use.

C. Automated Daily Balance Reporting

The City requires an automated PC-based reporting system for access to the closing ledger and available balances. Stipulate the time at which the access is available and describe the system to be used. Reporting should include balance and detail reporting. Samples of the reports are to be included in the proposal.

D. Sweep Account Provisions

If the City chooses, the bank will be responsible for automatically sweeping the balances in all accounts daily to an investment option (money market fund, repo, etc.). Describe the sweep options and, if a money market fund is used, provide a prospectus. The accounts will be swept to the compensating balance.

E. Investment of Idle Funds and Safekeeping of City Securities

All certificates of deposit bought by the City will be bought on a competitive basis. The City has no obligation to invest its funds with or through the bank. If the bank is proposing overnight repurchase agreements, an executed Master Repurchase Agreement is required. In order to fulfill GASB III requirements for reporting, if a repurchase agreement is executed with the bank itself, the collateral must be held in the trust department of the bank in a separate account.

All securities will be handled on a delivery versus payment (DVP) basis as they are cleared into and out of the account. All clearing and safekeeping will be in the bank or its correspondent. All correspondent and safekeeping arrangement will be stipulated in the proposal.

F. Standard Disbursing Services

Standard disbursing services for all accounts are required to include the payment of all checks upon presentation.

G. Standard Deposit Services

The bank must guarantee immediate credit on all incoming wire transfers and U.S. Treasury checks upon receipt and all other checks based on the bank's published availability schedule. The Bank should specify in their proposal their deposit requirements and commercial and retail deposit locations, including night deposit services and procedures.

H. Reporting and Account Analysis

Monthly account analysis reports must be provided by the bank on a timely basis for each account and on a total account basis. A sample account analysis format must be provided as

part of the proposal. Samples of monthly statements should also be provided. The monthly statements are to be received within ten business days of the next month.

I. Account Executive

An account executive must be assigned to the account to coordinate the account services and expedite the solution of any problem. A trained and competent backup for the account executive, familiar with the account, should be assigned in the proposal. Stipulate the name and a brief biography of the account executive to be assigned to the City's account.

J. Direct Deposit

Describe the requirements and deadlines for computer tap for ACH transactions. The proposal should indicate when funds will be available in participating banks.

K. Daylight Overdraft Provisions

Every effort will be made to eliminate daylight overdraft situations on the account. However, in case this situation does arise, the proposal should include any and all bank policies regarding daylight overdrafts charges or handling procedures.

L. Stop Payments

The proposal must include a statement on the proposed stop payment process on an automated or manual basis.

M. Collateralization of Deposits

The bank must agree to obtain and maintain acceptable collateral sufficient to cover all anticipated time and demand deposits, above the FDIC insured limit of \$250,000. Securities used to pledge against time and demand deposits must be held in an independent third-party safekeeping institution outside the bank's holding company. The bank will execute a tri-party safekeeping agreement with the City and the Safekeeping bank for safekeeping of these securities. Collateral will be maintained at a minimum of 102% and marked to market at least once a month. Control will be shared jointly between the bank and the entity. Substitution will be approved by the City and not unduly withheld. Substitutions of collateral will be requested in writing and new collateral will be received before the existing collateral is released. The proposal will name the safekeeping bank for collateral.

N. Additional Services

If new services become available and are provided during the period of this contract, they will be charged at the bank's then published rate.

V. OTHER SERVICES

The City is interested in obtaining service and cost information on additional services for possible use during the contract period. These services are not required but will be evaluated in terms of availability, feasibility, service levels, service providers and cost. The City will make its determination

after receipt of proposals as to whether a service will be used. If the service is accepted later in the contract period the services and charges stipulated in the proposal will be applied.

A. Lockbox Services

The City may choose to utilize lockbox services for certain revenue collections. Describe the service including the lockbox location and a full description of the service.

VI. Bank Compensation

Any net settlement on compensating balances will be made annually. If fees are chosen as the payment methodology, fees will be paid monthly after receipt of the account analysis.

**ATTACHMENT A-1
BANKING SERVICES CHARGES**

*Any and all anticipated service charges must be shown on this form to be applicable under the agreement.
Add additional lines as required.*

Service Unit	Unit Charge	Cost of Service
Account Maintenance	Per month	
Daily Balance Reporting	Per month	
Zero Balanced Accounts		
Master Account	Per month	
Subsidiary Accounts	Per month	
Credits Posted	Per transaction	
Debits Posted	Per transaction	
Encoding charge	Per transaction	
ACH Processing	Per transaction	
Origination of file	Per tape	
ACH deletions	Per transaction	
ACH entries	Per transaction	
Returned checks	Per transaction	
Controlled Disbursement	Per account/per month	
Items Deposited		
Deposits	Per transaction	
Commercial deposits	Per transaction	
Group I items	Per transaction	
Group II items	Per transaction	
Group III items	Per transaction	
Group IV items	Per transaction	
Stop payments	Per transaction	
Wire Transfers		
Incoming	Per transaction	
Outgoing	Per transaction	
Investment Safekeeping		
S/keeping interest/credit	Per transaction	
S/keeping receipt deposit	Per transaction	
S/keeping outgoing	Per transaction	
Securities DVP FRB	Per transaction	
Securities DVP NY	Per transaction	
Check Printing	Per transaction	
Extra Statements	Per transaction	
Disposable Bank Bags	Per Item	
Lockbox	Per month	
Cutbacks	Per transaction	
Special handling		

ATTACHMENT A-2
 CITY OF BOERNE
 BANKING SERVICES PROVIDED
 FY 2014-2015 MONTHLY VOLUMES

SERVICE DESCRIPTION	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT
GENERAL ACCOUNT SERVICES												
ACCOUNT MAINTENANCE	4	5	5	6	6	7						
DEBITS POSTED	454	390	403	380	383	450						
CREDITS POSTED	152	111	129	123	130	140						
STATEMENTS RENDERED	9	9	9	9	9	9						
DEPOSITORY SERVICES												
MINIMUM CHANGE ORDER	-	-	-	1	1	3						
ON US ITEMS	409	380	424	374	357	464						
LOCAL RCPC ITEMS	38	28	36	32	22	24						
TRANSIT CLEARING	1,460	1,319	1,443	1,344	1,197	1,583						
LOCAL STATEWIDE CLEARING	147	155	146	134	148	183						
11TH FED COUNTRY ITEMS	39	38	38	31	33	46						
OTHER 11TH FED CITY ITEMS	21	22	25	23	23	26						
OTHER 11TH FED RCPC ITEMS	125	105	132	119	94	134						
RETURN ITEMS	12	5	8	9	3	3						
RECLEAR ITEMS	1	1	-	2	1	1						
LOCAL CITY ITEMS	316	279	301	252	250	306						
PAPER DISBURSEMENT SERVICES												
POSITIVE PAY PAID REJECT ITEMS	3	4	4	4	-	1						
POSITIVE PAY POSTED CHECKS	430	367	375	360	365	430						
ONLINE STOP PAYMENT	1	-	-	1	8	2						
POSITIVE PAY REJECTED ITEMS	3	4	4	4	-	2						
CASH MANAGER IMAGES	-	-	3	8	-	-						
GENERAL ACH SERVICES												
ACH ORIGINATION -ITEM	1,305	1,280	1,955	1,082	1,146	1,298						
ACH MONTHLY FEE	2	2	2	2	2	2						
ACH ADDENDUM RECORD IN/OUT	166	335	238	240	151	313						
ACH INCOMING DEBITS	22	17	22	22	29	20						
ACH INCOMING CREDITS	180	191	180	167	154	209						
ACH RETURN ITEM	1	-	2	2	-	-						
WIRE AND OTHER FUNDS TRANSFERS												
CASH MANAGER WIRE OUT DOMESTIC	11	13	11	8	10	8						
CM ACCOUNT TRANSFER	4	5	8	3	5	7						
INCOMING FED WIRES	29	23	27	26	27	28						

ATTACHMENT A-2
 CITY OF BOERNE
 BANKING SERVICES PROVIDED
 FY 2013-2014 MONTHLY VOLUMES

SERVICE DESCRIPTION	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT
GENERAL ACCOUNT SERVICES												
ACCOUNT MAINTENANCE	7	6	7	7	6	8	6	8	6	8	6	7
DEBITS POSTED	571	394	435	410	364	458	430	440	449	451	431	446
CREDITS POSTED	152	107	114	133	122	126	128	140	142	144	133	146
STATEMENTS RENDERED	10	10	10	10	9	9	9	9	9	9	9	9
DEPOSITORY SERVICES												
MINIMUM CHANGE ORDER	-	-	-	-	-	-	-	-	2	1	2	-
ON US ITEMS	459	373	481	456	362	455	453	386	427	455	416	419
LOCAL RCPC ITEMS	18	19	24	23	20	24	34	30	36	48	32	27
TRANSIT CLEARING	1,704	1,361	1,801	1,710	1,405	1,741	1,617	1,431	1,491	1,522	1,424	1,506
LOCAL STATEWIDE CLEARING	236	172	248	174	138	200	174	149	164	156	146	172
11TH FED COUNTRY ITEMS	42	38	39	37	33	46	41	41	45	34	44	38
OTHER 11TH FED CITY ITEMS	29	20	32	25	23	27	28	29	29	20	24	24
OTHER 11TH FED RCPC ITEMS	145	95	156	150	112	151	125	132	149	134	137	127
RETURN ITEMS	12	7	17	11	6	14	9	6	3	5	11	6
RECLEAR ITEMS	7	-	1	2	1	3	2	2	2	1	1	-
LOCAL CITY ITEMS	230	194	269	224	185	242	336	289	316	318	302	298
PAPER DISBURSEMENT SERVICES												
POSITIVE PAY PAID REJECT ITEMS	3	-	-	-	-	-	1	-	1	-	1	14
POSITIVE PAY POSTED CHECKS	532	365	409	383	340	429	410	417	432	430	404	413
ONLINE STOP PAYMENT	2	-	-	1	-	1	-	11	3	1	1	1
POSITIVE PAY REJECTED ITEMS	3	-	-	-	1	-	1	-	1	-	1	14
CASH MANAGER IMAGES	-	8	3	-	1	4	-	-	1	-	-	-
GENERAL ACH SERVICES												
ACH ORIGINATION -ITEM	1,364	1,053	1,511	1,190	1,198	1,200	1,212	1,215	1,228	1,542	1,246	1,288
ACH MONTHLY FEE	2	2	2	2	2	2	2	2	2	2	2	2
ACH ADDENDUM RECORD IN/OUT	144	55	69	92	104	66	89	87	108	132	125	126
ACH INCOMING DEBITS	24	27	22	22	26	17	27	23	22	30	21	29
ACH INCOMING CREDITS	157	139	129	155	147	150	166	150	166	177	175	180
ACH RETURN ITEM	3	1	4	3	1	1	-	1	1	3	1	5
WIRE AND OTHER FUNDS TRANSFERS												
CASH MANAGER WIRE OUT DOMESTIC	15	10	7	8	11	8	7	8	7	8	10	12
CM ACCOUNT TRANSFER	7	6	6	8	6	7	4	7	6	8	7	13
INCOMING FED WIRES	28	24	25	26	25	25	25	25	26	26	27	31

ATTACHMENT A-2
 CITY OF BOERNE
 BANKING SERVICES PROVIDED
 FY 2012-2013 MONTHLY VOLUMES

SERVICE DESCRIPTION	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT
GENERAL ACCOUNT SERVICES												
ACCOUNT MAINTENANCE	5	5	5	7	7	5	7	5	7	7	7	6
DEBITS POSTED	596	418	451	366	333	442	415	440	423	573	461	445
CREDITS POSTED	110	84	98	131	117	112	104	125	110	125	138	120
STATEMENTS RENDERED	8	8	8	8	10	10	10	10	10	10	10	10
DEPOSITORY SERVICES												
ON US ITEMS	533	449	433	502	425	468	510	451	402	495	418	421
LOCAL RCPC ITEMS	21	13	15	17	14	13	22	12	16	20	15	14
TRANSIT CLEARING	1,016	860	833	974	762	891	94	890	755	1,846	1,584	1,460
LOCAL STATEWIDE CLEARING	1,154	976	946	1,118	882	1,040	1,132	977	890	252	209	198
11TH FED COUNTRY ITEMS	36	27	35	39	37	43	36	41	29	35	35	35
OTHER 11TH FED CITY ITEMS	34	34	23	37	31	31	32	31	32	33	27	33
OTHER 11TH FED RCPC ITEMS	145	121	108	142	112	126	152	141	105	141	118	112
RETURN ITEMS	15	10	7	7	3	4	12	11	10	10	10	10
RECLEAR ITEMS	1	1	1	-	-	2	2	-	1	2	1	2
LOCAL CITY ITEMS	265	245	231	257	210	246	233	232	226	242	227	207
PAPER DISBURSEMENT SERVICES												
POSITIVE PAY PAID REJECT ITEMS	1	7	1	2	10	-	1	-	-	-	1	1
POSITIVE PAY POSTED CHECKS	434	341	365	304	272	360	354	370	330	468	368	390
ONLINE STOP PAYMENT	1	2	1	3	1	-	1	1	-	2	1	1
POSITIVE PAY REJECTED ITEMS	2	8	2	1	10	-	1	-	-	1	1	1
CASH MANAGER IMAGES	16	20	17	16	15	6	2	10	13	16	3	3
GENERAL ACH SERVICES												
ACH ORIGINATION -ITEM	1,290	1,166	1,357	1,159	1,043	1,280	1,156	1,161	1,042	1,298	1,172	1,114
ACH MONTHLY FEE	2	2	2	2	2	2	2	2	2	2	2	2
ACH ADDENDUM RECORD IN/OUT	95	65	114	98	70	89	72	109	49	121	87	62
ACH INCOMING DEBITS	19	19	23	19	20	17	21	16	21	23	17	19
ACH INCOMING CREDITS	152	143	135	160	131	156	161	166	142	179	161	141
ACH RETURN ITEM	4	-	1	3	1	5	3	3	-	1	1	3
WIRE AND OTHER FUNDS TRANSFERS												
CASH MANAGER WIRE OUT DOMESTIC	14	13	12	12	12	11	9	9	9	10	11	11
CM ACCOUNT TRANSFER	7	4	5	9	6	5	4	3	6	6	7	9
INCOMING FED WIRES	1	1	12	26	22	23	6	18	25	26	26	26

**ATTACHMENT B
CITY OF BOERNE
DEPOSITORY ACCOUNTS**

CHECKING ACCOUNT	INTEREST BEARING
Operating	Yes
Cemetery Endowment Fund	Yes
Capital Recovery Fund	Yes
Debt Service Fund	Yes
Utility Debt Service Fund	Yes
Payroll	Yes
Municipal Court Bond Fund	No
Police Dept. Seized Funds - Federal	No
Police Dept. Seized Funds - State	Yes
Police Dept Seized Pending - State	Yes