

Affirmative Action
(231)724-6703
FAX (231)722-1214

Assessor
(231)724-6708
FAX (231)726-5181

Cemetery
(231)724-6783
FAX (231)726-5617

City Manager
(231)724-6724
FAX (231)722-1214

Civil Service
(231)724-6716
FAX (231)724-4405

Clerk
(231)724-6705
FAX (231)724-4178

Comm. & Neigh.
Services
(231)724-6717
FAX (231)726-2501

Engineering
(231)724-6707
FAX (231)727-6904

Finance
(231)724-6713
FAX (231)726-2325

Fire Department
(231)724-6792
FAX (231)724-6985

Income Tax
(231)724-6770
FAX (231)724-6768

Info. Technology
(231)724-4126
FAX (231)722-4301

Inspection Services
(231)724-6715
FAX (231)728-4371

Leisure Services
(231)724-6704
FAX (231)724-1196

Mayor's Office
(231)724-6701
FAX (231)722-1214

Planning/Zoning
(231)724-6702
FAX (231)724-6790

Police Department
(231)724-6750
FAX (231)722-5140

Public Works
(231)724-4100
FAX (231)722-4188

Treasurer
(231)724-6720
FAX (231)724-6768

Water Billing
(231)724-6718
FAX (231)724-6768

Water Filtration
(231)724-4106
FAX (231)755-5290

MUSKEGON



West Michigan's Shoreline City
www.shorelinecity.com

October 2, 2014

To All Interested Parties:

The City of Muskegon will be conducting interviews for the purpose of selecting a primary depository bank for 2015-2021 and invites your bank to participate. The City uses a wide range of banking services and is committed to implementing new cost-effective bank technologies. It is the City's desire to select a bank that will provide the *best overall value* on a long-term relationship basis rather than simply choosing the "low bidder". Accordingly, in addition to pricing, other factors will be considered including (but not limited to): availability of value-added service enhancements, availability and commitment to implementing new technologies, and financial strength.

The process for selecting the City's depository bank will consist of two components: interviews and pricing proposals. The interview process is by far the more important component. It is fully expected that (subject to reasonable and competitive pricing) the bank coming out on top after the interview process will be the bank selected by the City.

INTERVIEWS

- Individual interviews (90 - 120 minutes each) will be conducted on Thursday, November 6th. At this time each bank is invited to present their case as to why their institution offers the best overall value for the City of Muskegon. Interviews will be conducted before a panel of 4-5 City employees directly involved in day-to-day banking activities. We are taking the approach that instead of us preparing detailed specifications that attempt to describe our needs, *you* as experienced banking professionals, are better suited to tell us:
 - what we should be looking for in banking services;
 - what additional value-added services/technologies you have available that we may not be currently taking advantage of;
 - how your institution differentiates itself from the others; and,
 - how you can provide the City with the best overall value in banking services.

- The interview format will be casual but structured into three distinct parts. The first part (“*sales pitch*”) will consist of presentations from the bank geared toward describing your institution’s mix of services; its strengths and why your bank is uniquely qualified to service the City’s needs. The second part will be devoted to questions and answers about your services and/or about areas of specific concern to the City. Finally, the third part of the interview will be devoted to a demonstration of your on-line banking software and/or web-banking product.
- We encourage you to summarize your presentation in writing so panel members have materials to reference as they compare and rank the different banks. You can expect questions from interviewers to be detailed and concern specific services/processes so please be sure to have representatives present with detailed knowledge of your bank’s services/processes. Additionally, we specifically ask you to bring the following:
 - Names and phone numbers of at least three references from municipal or commercial clients comparable to the City;
 - Items necessary to conduct thorough software demonstrations. (The City will have available a computer with full internet access);
 - A sheet showing recent rates of return for balances maintained in checking and/or sweep investment accounts;
 - Your bank’s most recent annual financial report (and any independent rating service reports that summarize your bank’s financial strength); and,
 - Completed Pricing Proposal submitted in a sealed envelope (see below);
- Interviews can be scheduled by calling the undersigned directly at (231) 724-6709.

PRICING PROPOSALS

- Enclosed is a “Banking Services Volume Analysis and Pricing Proposal” sheet that describes actual services utilized by the City in a recent 12-month period. This sheet is representative of the services the City currently utilizes and should be the basis for you to prepare your cost proposal. It should be noted that this does not represent a guaranteed level of service over the term of the contract. Indeed, the City fully expects that service types and volumes will change substantially as, for example, greater reliance is placed on disbursing funds via ACH. Cost proposals are to be submitted at the time of your interview in a sealed envelope clearly marked “BANKING SERVICES COST PROPOSAL”. The pricing proposals will be opened

publicly at 9:00 AM on Friday, November 7th following conclusion of the interview process.

ADDITIONAL INFORMATION

- The following are criteria that all banks submitting proposals will be expected to meet:
 - City policy requires that only eligible institutions maintaining a permanent office *within the City* will be considered for selection as the main depository;
 - The City is currently a heavy user of lockboxes and on-line banking and information services. These services have become extremely important to the City's daily operations and, accordingly, banks not able to provide these services will not be considered.
- Scope of services – It is the city's intent to maintain most banking services with a single institution. Services not covered by this RFP are: paying agent/escrow services for the City's various outstanding bond issues and procurement cards.
- To help you gain a better understanding of the City's finances and banking service needs, you may want to review the City's annual Budget and/or *Comprehensive Annual Financial Report*. These documents are available online at www.muskegon-mi.gov.
- A "pre-interview" conference will be held 10:00 AM on Friday, October 24th to answer any questions you may have about the bank selection process. The conference will be held in room 103 of City Hall, 933 Terrace Street.

Thank you.

Sincerely,

Derrick A. Smith
Director of Finance

CITY OF MUSKEGON REPRESENTATIVE BANKING SERVICES USED			
SERVICE	# OF UNITS FOR 12 MONTHS	NOTES	ANNUALIZED COST
CCA OTHER DEBITS	1,963		
CCA CHECKS PAID	7,402		
COMMERICAL DEPOSITS	681		
ARP MONTHLY BASE CHARGE (3 ACCOUNTS)	36		
ARP CHECKS PAID	7,356		
ARP OUTSTANDING BALANCE REPORTING	12		
ARP CHECKS ISSUED	7,923		
ARP DEPOSIT RECONCILIATION PER ITE	2,815		
ARP RETURNED ITEM	11		
POSITIVE PAY BASE MONTHLY CHARGE (2 ACCOUNTS)	24		
POSITIVE PAY EXCEPTION REPORTED	19		
PERFECT POSTING PP BASE CHARGE	12		
CHECK IMAGING PER ACCOUNT (2 ACCOUNTS)	24		
CHECK IMAGING PER ITEM	7,568		
DEPOSIT IMAGING PER ACCOUNT	12		
DEPOSIT IMAGING PER ITEM	29,074		
ED ITEMS CLEARED ON US	5,064		
ED ITEMS CLEARED SUB CHK	2		
ED ITEMS CLEARED IMAGE EXC	37,143		
ED MICR REJECT REPAIR	2		
CONTROLLED DISB BASE CHARGE (2 ACCOUNTS)	24		
DEPOSIT CORRECTION	7		
RETURNED ITEM OR CHARGEBACK	355		
CHECK PAID MICR REJECT&REPAIR	680		
RETURNED ITEM SPECIAL INSTRUCTION	12		
UNENCODED ITEMS DEPOSITED	413		
MONTHLY MAINTENANCE (7 ACCOUNTS)	84		
RETURNS MGMT MODULE	12		
RETURNED ITEMS PER IMAGE	305		
WIRE TRSF INCOMING STRUCTURED	14		
BKG CENTER DEPOSITED CASH	2,159,040		
EDM MONTHLY SERVICE FEE	12		
EDM DEPOSIT	513		
EDM BEFORE 4:00PM LOCAL TIME	42,377		
AMP CHARGES (ONLINE BANKING)	22,813		
ZBA SUB ACCOUNT (2 ACCOUNTS)	24		
RCK 1ST PRESENTATION	83		
RCK 2ND PRESENTATION	30		
RCK RETURNED ITEM OR CHARGEBACK	42		
RCK MONTHLY MAINTENANCE	12		
ACH CREDIT ITEMS RECEIVED	1,316		
ACH DEBIT ITEMS RECEIVED	1,276		
ACH ADDENDA RECEIVED	1,386		
ACH DIRECT SEND MONTHLY MAINT (5 ACCOUNTS)	60		
ACH DIRECT SEND CREDITS ORG	10,287		
ACH DIRECT SEND DEBITS ORG	6,227		
ACH DIRECT SEND WEB AUTH CHARGE	10		
ACH MONTHLY MAINTENANCE	12		
ACH MODULE CREDITS ORIG	208		
ACH MODULE DEBITS ORIG	8		
ACH ADDENDA ORIGINATED	57		
ACH RETURN ITEMS	107		
ACH NOTIFICATION OF CHANGE	117		
ACH RETURN/NOC PRT VIA WEB	27		
ENCODED ITEMS DEPOSITED	43,855		
LBX RETAIL ITEMS PROCESSED	50,979		
LBX RETAIL EXCEPTION ITEM	544		
LBX RETAIL MAINTENANCE (2 BOXES)	24		
LBX RETAIL TRANSMISSIONS	391		
LBX RETAIL ON LINE VIEWING	618		
LBX RETAIL EXCEPTIONS MULTIDOCUME	5,088		
LBX RETAIL EXCEPTIONS CHECK&CORRE	2,151		
ACH PPAY MAINTENANCE (2 ACCOUNTS)	24		
ACH PPAY FILTER	12		
ACH PPAY PAID ITEM	20		
ACH PPAY RETURNED ITEM	3		
DEPOSIT ADMIN FEE	135,183		
PAPER CHECK ADMIN FEE	40,009		
TOTAL ANNUAL COSTS			\$
COMMENTS			