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May 31, 2022

REQUEST FOR PROPOSAL DEPOSITORY/BANKING SERVICES

The City of Centralia, Missouri will accept sealed and signed proposals for the provision of Depository/Banking Services as described herein. All proposals must be clearly marked “**Banking Services Proposal 2022**”. Faxed or emailed proposals will not be accepted. The financial institution is required to use this RFP form in preparing and submitting the proposal.

Proposals are to be submitted in a sealed envelope to: **City of Centralia, Attn. City Clerk, 114 S. Rollins, Centralia, Missouri 65240** on or before 2:00 P.M. on Wednesday, June 29, 2022. Any questions should be directed to Tara Strain, City Clerk via email tara@centraliammo.org or calling City Hall at (573) 682-2139.

The City of Centralia reserves the right to reject all proposals, and to waive any irregularities.

Scope of Services

The depository will be selected to receive funds for a three-year period beginning July 1, 2022, through June 30, 2025, with the following required provisions for maintaining City funds. Although specific requirements are detailed in this document, financial institutions are invited to make proposals for a “better way” of providing a particular banking service or for other prospective services not enumerated herein.

1. Provide daily deposit and withdrawal services for any number of accounts the City may need. Currently, the City has the following accounts:
 - a. General Government Operating Account
 - b. A. B. Chance Memorial – Money Market
 - c. Library Debt Service - Money Market
2. Provide deposit slips for accounts per specifications free of charge.
3. Sort checks in numerical order free of charge (currently images shown on electronic banking statement in numeric order).
4. Permit and facilitate wire transfers of state and federal funds coming to the City free of charge.
5. Provide wire transfers to other institutions free of charge.
6. The financial institution shall provide investment services as required by the City, such as: Buying and selling, Funds transfer, Safekeeping storage of securities, advisory services (with no fees when

securities are purchased). Act as a broker for the purchase of U S Treasury Notes for our A B Chance Memorial Trust Fund.

7. Provide monthly (or interim) bank statements free of charge.
8. Allow stop payments free of charge.
9. The financial institution should inform the City of any returned checks. City accounts can be debited, but the city should receive a debit copy for the returned check. There should be no charge to the City for processing the returned item.
10. The City requires one medium-sized safety deposit box – (currently city does not use this service but could be a future use).
11. Bi-weekly direct deposit of payroll checks - Payroll is submitted bi-weekly and there are currently 57 items per file processed for our employees that use direct deposit for their payroll checks (2-3 files transmitted monthly).
12. The city's general government account may be debited by ACH once or twice a week by an outside firm, indefinitely. Incoming ACH deposits may also be received weekly by the same firm. Please state fees for this service.
13. The City at this time has twenty city purchase cards held by the City Administrator, the City Clerk, Public Works/Utilities Director, Park Director, Supervisors, Asst. Supervisors, and office personnel. Currently, the city has revenue share with these purchase cards. Proposal should include information and fees regarding this service, and if payables management is also included.
14. The City offers customers the option to pay by debit or with credit card. Proposal should include detailed information regarding this service and all fees involved. *(The city does not wish to pay any fees for the customer convenience for this service so this may not be possible if the credit card companies insist the city must pay these fees and cannot pass it on to the customer.)*
15. Are there any plans for your financial institution to no longer process checks at the bank? How will this affect this bid and how the city will process check payments?
16. The city is currently accepting electronic payments for utility payments from two vendors and offers internet payments. What charges would there be, if any, for this service?

Selection Criteria

The criteria that will be used to make the selection includes, but is not limited to, the following, not necessarily in the order listed:

1. Rates offered on accounts and investments.
2. Experience in providing depository services to similar accounts.
3. Financial strength of institution.
4. Any additional services offered. Please list any additional services in the area provided below or on an addendum sheet. Example: Ghost cards, bank file uploads for payment options, etc.
5. Community investment and activities. Please list on an addendum sheet.

The City of Centralia reserves the right to reject all proposals, and to accept the proposal the City considers most advantageous. Acceptance of a proposal will be based on the total package of services offered by the financial institution.

Additional Requirements

1. Funds deposited by the City must be fully secured as required by law. The Depository shall always maintain the market value of the security in an amount equal to a least 100% of the amount on deposit with the Depositor, less the amount, if any, which is an insured deposit pursuant to the Federal Deposit Insurance Act of November 27, 1994, as heretofore or hereafter amended. The selected institution must agree to execute a "Depository Contract and Pledge Agreement".
2. If in any case, or at any time, such securities are not satisfactory security to the City for deposit made as provided by law, (110.010 and 110.020, RSMo) said City may require additional security as needed to be deemed satisfactory.
3. Any securities so deposited may from time to time be withdrawn and other bonds or securities of like kind and character may be substituted only upon written consent of the City.
4. Enough bonds or securities which can be evidenced with safekeeping receipts to secure said deposits shall always be kept with said bank. Safekeeping receipts shall always remain in the possession of the City. Upon request proper officials of the City may examine said documentation.
5. The City will have the right to cancel the agreement for services before the end of three years if adequate service is not received, upon sixty (60) days written notice.
6. It is the prerogative of the City to eliminate any service proposed, if, in its opinion, the fees for providing these services are excessive, or if administratively the service proposed could be performed in an alternative method.
7. Proposals may optionally include some form of daily "zero account balancing" to repurchase agreements or other overnight investments consistent with maintaining safety of public funds and restrictions of state laws governing fourth-class cities.
8. For accounts and investments where the interest is calculated and credited daily to the investment account, the financial institution shall show interest deposits on monthly statements, which shall be sent to the City within three business days after the end of the month, regardless of any other activity in the account. Interest on any other investments with the financial institution or in the custody of the institution or an affiliate shall be credited to City accounts on the day of receipt and the City shall receive written notice of the credit before the end of the next business day.
9. The City reserves the right to re-negotiate the interest rates on the city's investment portfolio, if during the two-year and 9-month contract the interest rates should increase dramatically over the proposed bid.
10. If the City develops a need for additional accounts or services during the life of the depository agreement, those new accounts or services should be provided with the same conditions as those applying to existing accounts at the time.
11. If the Federal Reserve or other regulatory bodies provide for the establishment of new accounts or other regulations which are favorable to the City, the depository must provide those new services.

Financial Information

1. The City of Centralia's fiscal year is April 1st through March 31st.
2. The City of Centralia's estimated budget for revenue in the 2022-23 fiscal year is \$15,544,764.
3. Major revenues are received during the first fifteen (15) days of the month and during tax collection months, which are typically December through January.
4. The average monthly cash balance for the past fiscal year 2021-22 was \$9,876.27.
5. Approximately 2686 electronic payroll checks are issued in a fiscal year. Payroll checks are issued bi-weekly to approximately forty (40) full-time and fifty (50) part-time employees. An estimated three hundred (300) additional electronic payroll checks will be issued to seasonal or temporary employees, typically during the summer months.
6. Approximately 1720 deposits were made during fiscal year 2021-22.
7. Approximately 1009 accounts payable checks were written during fiscal year 2021-22.
8. Number of wire transfers last fiscal year - 36
9. Number of ACH debit items originated last fiscal year - 98
10. Number of ACH debit items received last fiscal year - 163
11. Number of ACH credit items originated last fiscal year – 12,935
12. Number of ACH credit items received last fiscal year - 36

*Provide cost for any software and installation costs to provide the above service plus monthly and annual fees, if any.
Provide detailed information about the service including if available by modem or over the internet.*

13. A repurchase agreement was maintained by our current bank with approximately \$4,328,878.33 swept each night for investment purposes with interest earned daily. \$100,000.00 was invested in certificate of deposits.

Instructions

1. All proposals submitted should include the attached forms. Additional information pertaining to these forms may be provided through supporting footnotes or addendums.
2. In determining estimated costs of service, unit costs will be utilized and multiplied by the estimated annual number of items indicated in the proposal form to arrive at an estimated annual cost. If a difference exists between unit price and estimated annual cost, the unit price will prevail.
3. The "**Banking Services Proposal 2022 Form**" and "**Proposal Questionnaire**" must be completed and all deviations from City request must be noted. All interest and/or earning credit rates should be for a specified amount. Rates quoted which are tied to future market conditions, will use the 91-day Treasury bill rate as established at the weekly auction. The published source of the index rate must be specified. The formula for calculation of interest must be provided and all calculations of interest must be clearly shown based upon the ledger balances specified. The proposal must clearly indicate any additions or reductions from any index rate proposed. Saturday and Sunday rates will be the same as the rate of the preceding Friday. The rate paid on holidays will be the same as the rate of the preceding day.
4. Prices quoted in the "**Banking Services Proposal 2022 Form**" will be considered all-inclusive and shall be good for the entire length of the depository/banking services agreement. Only services on the bid form or specifically listed in the agreement can be charged without prior approval. Any service not on the bid form will be negotiated between the City and the institutions before the service will be accepted.



**CITY OF CENTRALIA, MISSOURI
BANKING SERVICES PROPOSAL 2022 FORM**

Name of Banking Institution: _____

Contact Name: _____ Title: _____

Email: _____ Phone: _____

Signature: _____ Date: _____

	Annual Units	Unit Cost	Est. Annual Cost
Checks Paid	1009		
Wire Transfers:			
Incoming	11		
Outgoing	36		
Deposits	1009		
Items Deposited	9189		
Local Items Deposited	5289		
Deposit Items Returned	148		
Stop Payments	0		
Overdraft Charge			

Other Banking Services:

	Annual Units	Unit Cost	Est. Annual Cost
Monthly Check report, sorted by check number	12		
Safekeeping receipts			
Purchase Card Interface			
ACH Payments – Utility Bills (per item charge)	4944		
ACH Payments - Recreation Center (per item charge)	4678		
ACH Payments – Golf Course (per item charge)	240		
ACH Payments – Utility Bills (per file charge)	12		
ACH Payments - Recreation Center (per file charge)	12		
ACH Payments – Golf Course (per file charge)	12		
Utility Internet Payments Received through ACH	24		
ACH Debit of City Account (recurring monthly)	12		
Other Costs			

Total Estimated Cost: \$ _____ \$ _____

Monthly Est. Cost

Annual Est. Cost

Required monthly compensating balance (if any): \$ _____

Rates for Certificates of Deposits (expressed as basis points above or below the 91-day Treasury Bill rate:

For Certificates of Deposits of less than \$100,000:

30 day	_____
60 day	_____
6 months	_____
1 year	_____

For Certificates of Deposits of at \$100,000, but less than \$250,000:

30 day	_____
60 day	_____
6 months	_____
1 year	_____

For Certificates of Deposits of \$250,000 or more:

30 day	_____
60 day	_____
6 months	_____
1 year	_____

Rates for Certificates of Deposits (expressed as basis points above or below treasury bill of equal maturity as the term of the certificate of deposit):

For Certificates of Deposits of less than \$100,000:

6 months	_____
1 year	_____

For Certificates of Deposits over \$100,000

6 months	_____
1 year	_____



DEPOSITORY/BANKING SERVICES PROPOSAL QUESTIONNAIRE

Name of Institution: _____

Please indicate whether your financial institution will meet these requirements by marking "yes" or "no".
The City requests that the following services be furnished at **NO CHARGE**.

Section A

<u>Yes</u>	<u>No</u>	
___	___	Interest bearing accounts, including checking (earning interest daily).
___	___	Monthly statements with canceled checks/facsimiles listed numerically with online access delivered the first business day of the following month.
___	___	Furnish coin wrappers upon request.
___	___	Furnish all laser check stock for accounts payable and payroll.
___	___	Direct Deposit services.
___	___	Provide for wire transfers on request, (free of charge) both in and out.
___	___	Provide imprinted duplicate carbonless deposit and if institution does not include image of deposit slips with statement.
___	___	Make available investment counseling free of charge.
___	___	Allow purchase of securities, including U. S. Treasury notes, with no commission charge.
___	___	Provide monthly (or interim) bank statements free of charge.
___	___	Allow stop payment orders free of charge.
___	___	Provide for direct deposits of payroll for employees.
___	___	Provide ACH debit of customer utility accounts, park rec center memberships, and golf course memberships.
___	___	Provide outgoing ACH debit of city account on monthly basis.
___	___	Designated bank officer for City business.
___	___	No minimum balance in any City accounts.
___	___	Positive pay.
___	___	Purchase Card interface.
___	___	Revenue share from purchase card agreement.

Section B

<u>Yes</u>	<u>No</u>	
___	___	Credit for all deposits given on day the deposit is made.

Section C

<u>Yes</u>	<u>No</u>	
___	___	Will money market accounts be available?
		If yes, indicate the following:
		_____ Proposed interest rate
		_____ Minimum balance
		_____ Transfers allowed (yes/no)

Section D

<u>Yes</u>	<u>No</u>	
___	___	Information concerning ach utility/rec center membership payments attached?

DEPOSITORY/BANKING SERVICES - PROPOSAL QUESTIONNAIRE CONTINUED

Section E

Yes No

____ ____ Is information concerning payroll direct deposit attached?

Section F

Yes No

____ ____ Is information concerning city credit cards attached?

Section G

Yes No

____ ____ Is information concerning debit/credit card services for customers attached?

Section H

Yes No

____ ____ Are there any other services available to enhance the bank's proposal?
If yes, please indicate the other services available on an addendum page.

Please list any other services available at **NO CHARGE** which may be of value to the City of Centralia:

Please list other services available **and associated costs** which may be of value to the City of Centralia:

Lease Purchasing

Please indicate if your financial institution agrees to provide lease purchasing by marking "yes" or "no".

____ Yes ____ No

Note: The City reserves the right to see lease purchasing from other financial institutions.