Condensed Title:

A Resolution of the Mayor and City Commission of the City of Miami Beach, Florida, Accepting the Recommendation of the Interim City Manager Pertaining to the Ranking of Proposals Pursuant to Request for Proposals (RFP) No. 53-11/12 for the Provision of Various Banking Services to the City of Miami Beach for a Five-Year Period with Five One-Year Renewal Options; Authorizing the Administration to Enter in Negotiations with the Top-Ranked Proposer, SunTrust Bank; and Should the Administration not Be Successful in Negotiating an Agreement with the Top-Ranked Proposer, Authorizing Negotiations with the Second-Ranked Proposer, TD Bank, N.A.; further Authorizing the Mayor and City Clerk to Execute an Agreement upon Conclusion of Successful Negotiations by the Administration.

Key Intended Outcome Supported:

Ensure well-maintained infrastructure

Supporting Data (Surveys, Environmental Scan, etc.): The City's overall bond rating is Aa2 and AA-according to Moody's and Standard and Poor's respectively.

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Shall the Mayor and City Commission Adopt The Resolution?

Item Summary/Recommendation:

This RFP is for various banking services involving the general operating, general depository, and payroll accounts (among several others). These services consist of, but are not limited to, a general depository account for funds collected daily; a general disbursing account, which is strictly a checking account; a payroll disbursing account to cover bi-weekly payroll; computerized services, including direct deposits, control pay, web pay, debit/credit memos, ACH deposits, daily and monthly statement, and stop payments; lockbox processing; wire transfers; zero balance services; and automatic redeposit of items.

The term of the contract to be awarded pursuant to this RFP is anticipated to begin on January 1, 2013, for a five (5) year initial term, with five (5) one-year renewal options, at the sole discretion of the City (through its City Manager).

BidNet issued bid notices to 13 prospective proposers which resulted in the receipt of five (5) proposals.

On October 15, 2012, the Committee convened to review and discuss the proposals. The Committee decided to invite the proposers to provide a presentation detailing their customer service philosophy and approach, an explanation of their proposed fee structures regarding services and earning credit rates, available technology, and transition plan.

On November 2, 2012, the Committee reconvened to interview each proposer. Upon completion of the interviews, the Committee discussed their individual perceptions of each prospective firm's qualifications, experience, and competence in order to score and rank each accordingly to develop its recommendation to the Interim City Manager based on their scores and ranking. In determining the most qualified firms, the Committee discussed each firm's proposal based on the criteria noted in the RFP.

Based on the scores and rankings of the Committee members, SunTrust Bank was selected unanimously as the top-ranked firm. TD Bank N.A. was second based on the rankings. Therefore, a motion was made and voted unanimously in favor by the Committee to recommend to the Interim City Manager for the Administration to negotiate an agreement with the top-ranked proposer, SunTrust Bank, and should the Administration not be successful in negotiating an agreement with the top-ranked proposer, authorizing negotiations with the second-ranked proposer, TD Bank N.A.; further authorizing the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.

Advisory Board Recommendation: N/A Financial Information: Source of Amount Account Funds: N/A Total OBPI Financial Impact Summary: N/A City Clerk's Office Legislative Tracking: Raul Aguila, ext. 6475 Sign-Offs: Interim City Department Director Chief Financial Officer Manag PDW T:\AGENDA\2012\11-14-12\RFP 53-11-12 - Banking Services - SUMMARY.doc



AGENDA ITEM <u>C7E</u>



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Kathie G. Brooks, Interim City Manager

DATE: November 14, 2012

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE INTERIM CITY MANAGER PERTAINING TO THE RANKING OF PROPOSALS PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 53-11/12 FOR THE PROVISION OF VARIOUS BANKING SERVICES TO THE CITY OF MIAMI BEACH FOR A FIVE-YEAR PERIOD WITH FIVE ONE-YEAR RENEWAL OPTIONS; AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH THE TOP-RANKED PROPOSER, SUNTRUST BANK; AND SHOULD THE ADMINISTRATION NOT BE SUCCESSFUL IN NEGOTIATING AN AGREEMENT WITH THE TOP-RANKED PROPOSER, AUTHORIZING NEGOTIATIONS WITH THE SECOND-RANKED PROPOSER, TD BANK, N.A.; FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS BY THE ADMINISTRATION.

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

KEY INTENDED OUTCOME SUPPORTED

Improve the City's overall financial health and maintain overall bond rating

ANALYSIS

This RFP is for various banking services involving the general operating, general depository, and payroll accounts (among several others). These services consist of, but are not limited to, a general depository account for funds collected daily; a general disbursing account, which is strictly a checking account; a payroll disbursing account to cover bi-weekly payroll; computerized services, including direct deposits, control pay, web pay, debit/credit memos, ACH deposits, daily and monthly statement, and stop payments; lockbox processing; wire transfers; zero balance services; and automatic redeposit of items.

The term of the contract to be awarded pursuant to this RFP is anticipated to begin on January 1, 2013, for a five (5) year initial term, with five (5) one-year renewal options, at the sole discretion of the City (through its City Manager).

SCOPE OF SERVICES

It is the intent to have one bank provide the City's service needs on its three major bank accounts which are the General Depository, General Disbursing, and Payroll Accounts, as well

as, any other bank accounts that the City may have or open in the future. The scope of services is as follows:

- GENERAL DEPOSITORY ACCOUNT City funds collected daily will be deposited in this account the following business day. Checks deposited will be available the day of deposit in the bank by the time of day the bank normally closes its transactions for that day. This will also include Automated Clearing House (ACH) transactions generated by Miami-Dade County, which must be considered available on date of receipt, even if received after normal closing hours. All transactions must be identified. This account has to be an interest bearing account. The proposer will need to show the basis and method of computing such interest earnings.
- GENERAL DISBURSING ACCOUNT This account will be strictly a checking account.
 The bank will transfer the exact amount of funds each day to this account to cover clearings. Approximately 1,500 checks will be issued monthly, amounting to approximately \$7,000,000. Disbursements will be made by check as well as wire transfer; each transaction must be shown separately on the bank statement (no netting permitted).
- PAYROLL DISBURSING ACCOUNT The City's payroll is currently bi-weekly, paying every other Friday approximately 2,000 employees; net pay amounts to approximately \$3,000,000 bi-weekly. The bank will transfer the exact amount required each day to cover clearings
- COMPUTERIZED SERVICES All demand and time deposit accounts maintained must be computerized so that reconciliation can be performed. Reconciliation service to produce an outstanding check list for each account with substantial check activity must be available to the City by the 15th day of the month following activity, as well as, a CD with scanned images of the front and back of each check issued for all accounts. In addition, the bank must provide a separate computer listing of all checks which have cleared by check (voucher) number and amount with a total dollar amount indicated on all accounts not designated for automatic reconciliation services.

The City needs the ability to use a form of Control Pay that will allows items that are transmitted to be verified prior to being paid by the bank. The ability to offer ACH online bill payment, utilizing credit cards, debit cards, and ACH transactions. The City requires an on-line banking feature to be used to obtain and report on balances and transactions on a daily basis for each bank account. This feature must also allow for the initiation of wire transfers and stop payments. The Proposer should have the capability to upload data (cleared checks) to the City's financial system.

- SAME DAY PROCESSING All transactions received before the close of business must be posted on the same day (at no extra charge).
- STATEMENT AND ADVICE FREQUENCY All advises affecting a debit or credit
 memo type transaction must be produced daily and emailed/Fedex to the City.
 Statements on all bank accounts will be produced monthly on a calendar month basis
 and available to the City no later than the 7th working day of the subsequent month.
- AUTOMATIC REDEPOSIT OF DEPOSIT ITEMS RETURNED All deposit items charged back on the City's general operating/depository account will be automatically re-deposited the following day of the bank. If returned a second time, they will be forwarded on a daily basis to the City
- DIRECT DEPOSIT/ACH PAYROLL CHECKS The Proposer must have the ability to initiate direct deposit for payroll. It is estimated that 1,850 of the City's 2,000

Page 3

- employees utilize direct deposit. Additionally, the ability to provide payroll cards for those employees that are not on direct deposit
- COUNT AND DEPOSIT METER COLLECTIONS The City's Parking Department, via an armored car service, will deliver 20-23 bags containing coins (in all denominations) in the amount of \$12,000 to \$20,000 daily. The Proposer must have the ability to count, weigh and deposit coins, or provide an alternative solution for this process.
- LOCK BOX ACCOUNT PROCESSING The City utilizes a lock box to receive payments for various types of City fees. The proposer must have the ability to process transactions and report by type. The estimated volume is \$2,500,000 per month.
- AUTOMATED TELLER MACHINE (ATM) The Proposer must be willing to install a
 revenue sharing ATM at City Hall (at no cost to the City), at a location to be determined
 by the City.
- LOCAL DECISION MAKING AT BANK OFFICES The location of a banking office should be located in Miami Beach preferably located convenient to City Hall. This banking office should have the ability to make decision and solve problems.
- PERSONAL CONTACT The Proposer must assign personal contacts at the Senior Management Level, Branch, Treasury Management, Merchant Services, and Technical Support areas.
- PURCHASING CARD PRODUCT The Proposer must provide a Purchasing Card Product for ease of procurement purchases that can interface with the City's financial system, and it must also interface with the program, "Card Manager Plus by WORKS", or other equivalent software.
- ADDITIONAL SERVICES (OPTIONAL) No charge for non-client check cashing; offer employee benefits that include free checking account and other employee benefits.
- OTHER OFFERED SERVICES Any other product/service that the Proposer may offer its clients that the City has not otherwise requested in the RFP.

RFP PROCESS

On July 18, 2012, the Mayor and City Commission approved the issuance of Request for Proposals (RFP) No. 53-11/12, for the provision of various banking services to the City for a five-year period with five (5) annual renewal options. RFP No. 53-11/12 was issued on July 25, 2012, with an opening date of September 14, 2012. A pre-bid conference to provide information to the proposers submitting a response was held on August 7, 2012.

BidNet issued bid notices to 13 prospective proposers which resulted in the receipt of the following five (5) proposals:

- Bank of America, N.A.
- Citibank N.A.
- J.P. Morgan Chase Bank, N.A.
- SunTrust Bank
- TD Bank, N.A.

As a result, the following table provides the proposed pricing submitted:

		Additional		Less Waived Fees 1st	First Year	Five-Year Total	Earning Credit Rate
	Fees	Fees	Subtotal	year	Total	Fees	(ECR) ¹
SunTrust	\$ 112,426.44	\$ •	\$ 112,426.44	\$ -	\$ 112,426.44	\$ 562,132.20	0.50% fixed for 3 yrs
TD Bank	\$ 105,319.32	\$ 21,750.00	\$ 127,069.32	\$(42,356.44)	\$ 84,712.88	\$ 592,990.16	0.50% fixed for 1 yr
Citibank	\$ 137,449.92	\$ -	\$ 137,449.92	\$ ~	\$ 137,449.92	\$ 687,249.60	0.50%
J.P. Morgan	\$ 165,139.33	\$ -	\$ 165,139.33	\$(41,284.83)	\$ 123,854.50	\$ 784,411.82	0.40%
B of A	\$ 56,007.84	\$ 189,175.80	\$ 245,183.64	\$(25,000.00)	\$ 220,183.64	\$ 1,200,918.20	0.40%

On October 1, 2012, the Interim City Manager via Letter to Commission (LTC) No. 249-2012, appointed an Evaluation Committee (the "Committee") consisting of the following individuals:

- Mario Coryell, Resident and Loan Review Committee Member
- Jacqueline Lalonde, Resident and Budget Advisory Committee Member
- · Joe Londono, Resident and Leadership Academy Graduate
- Juan Rodriguez, Treasury Manager, Finance Department
- Allison Williams, Chief Accountant, Finance Department

In addition to those noted, the following individuals were proposed as alternates:

- Georgette Daniels, Senior Management and Budget Analyst, OBPI
- Mayra Diaz-Buttacavoli, Resident and Loan Review Committee Member
- John Gardiner, Resident and Budget Advisory Committee Member
- David Lancz, Resident and Budget Advisory Committee Member
- James Sutter, Internal Auditor, OBPI
- Juan Torres, Resident and Loan Review Committee Member

On October 15, 2012, the Committee convened to review and discuss the proposals and nominated Allison Williams as Committee Chair. The Committee decided to invite the proposers to provide a presentation detailing their customer service philosophy and approach, an explanation of their proposed fee structures regarding services and earning credit rates, available technology, and transition plan.

On November 2, 2012, the Committee reconvened to interview each proposer. Upon completion of the interviews, the Committee discussed their individual perceptions of each prospective firm's qualifications, experience, and competence in order to score and rank each accordingly to develop its recommendation to the Interim City Manager based on their scores and ranking. In determining the most qualified firms, the Committee discussed each firm's proposal based on the criteria noted in the RFP below:

¹ ECR refers mainly to the City's General Depository and RDA's City Center accounts held at SunTrust Bank. The City's and RDA's investments are held at Fiduciary Trust International, as custodian of the investments in the City's and RDA's name. These investments are purchased in accordance with the City's Investment Policy.

Total Points	Criteria				
45	Charges for Services				
25	State of the Art Technology – On-line Services				
15	Personal Contact Points – Customer Service				
15	Interest rate earned				
5	Local Preference – The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a Miami Beach-based vendor as defined in the City's Local Preference Ordinance.				
5	Veterans Preference – The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise, as defined in the City's Veterans Preference Ordinance.				

In regards to online services, the Committee felt that each proposer demonstrated the technological capabilities to meet the City's needs. After interviewing each proposer's team, the Committee believed that each was committed to providing excellent customer service to the City and ensured that a local representative would be available to address any concerns. With these factors considered mostly equal, the charges for services and earned interest rate were the ultimate factors that distinguished one proposer from the other. As a result, the Committee's final scoring is provided below:

	Coryell	Londono	Rodriguez	Williams	Total
SunTrust Bank	1 (105)	1 (90)	1 (103)	1 (100)	1 (398)
TD Bank, N.A.	2 (98)	2 (90)	2 (101)	2 (95)	2 (384)
Citibank, N.A.	3 (90)	3 (76)	3 (100)	3 (88)	3 (354)
J.P. Morgan Chase Bank, N.A.	4 (89)	4 (74)	4 (99)	4 (85)	4 (347)
Bank of America, N.A.	5 (82)	5 (60)	5 (93)	5 (80)	5 (315)

Based on the scores and rankings of the Committee members, SunTrust Bank was selected unanimously as the top-ranked firm. TD Bank N.A. was second based on the rankings. Therefore, a motion was made by Allison Williams, seconded by Joe Londono, and voted unanimously in favor by the Committee, to recommend to the Interim City Manager for the Administration to negotiate an agreement with the top-ranked proposer, SunTrust Bank, and should the Administration not be successful in negotiating an agreement with the top-ranked proposer, authorizing negotiations with the second-ranked proposer, TD Bank N.A.; further authorizing the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration. For more information on both proposers, their executive summaries are provided in Attachment A.

INTERIM CITY MANAGER'S DUE DILIGENCE

After considering the review and recommendation of the Evaluation Committee, the Interim City Manager exercised her due diligence and is recommending that the Mayor and the City Commission authorize for the Administration to negotiate an agreement with the top-ranked proposer SunTrust Bank. In addition, the Interim City Manager recommends that the Administration negotiate an agreement with TD Bank, N.A., the second-ranked proposer, in the event negotiations are unsuccessful with the top-ranked proposer.

CONCLUSION

The Administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida accepts the recommendation of the Interim City Manager pertaining to the ranking of proposals pursuant to Request for Proposals (RFP) No. 53-11/12, for the provision of various banking services to the City of Miami Beach for a five-year period with five one-year renewal options; and further authorizing the Administration to enter into negotiations with the top-ranked proposer, SunTrust Bank; and should the Administration not be successful in negotiating an agreement with the top-ranked proposer, authorizing negotiations with the second-ranked proposer, TD Bank, N.A.; further authorizing the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.

KGB/JGG/FV/ME

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A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE INTERIM CITY MANAGER PERTAINING TO THE RANKING OF PROPOSALS PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 53-11/12 FOR THE PROVISION OF VARIOUS BANKING SERVICES TO THE CITY OF MIAMI BEACH FOR A FIVE-YEAR PERIOD WITH FIVE ONE-YEAR RENEWAL OPTIONS; AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH THE TOP-RANKED PROPOSER. SUNTRUST BANK: AND SHOULD THE ADMINISTRATION NOT BE SUCCESSFUL IN NEGOTIATING **AGREEMENT** WITH THE **TOP-RANKED** PROPOSER. **AUTHORIZING** NEGOTIATIONS WITH THE SECOND-RANKED PROPOSER, TD BANK, N.A.; FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS BY THE ADMINISTRATION.

WHEREAS, on July 18, 2012, the Mayor and City Commission approved the issuance of Request for Proposals (RFP) No. 53-11/12, for the provision of various banking services to the City of Miami Beach for a five-year period with five one-year renewal options; and

WHEREAS, the RFP was issued on July 25, 2012, with an opening date of September 14, 2012; and

WHEREAS, a pre-bid conference was held to provide information to prospective proposers was held on August 7, 2012; and

WHEREAS, Bidsync sent notices to 13 prospective proposers resulting in the receipt of five (5) proposals by Bank of America, N.A., Citibank N.A., J.P. Morgan Chase Bank, N.A., SunTrust Bank, and TD Bank, N.A.; and

WHEREAS, the Interim City Manager, via a Letter to Commission (LTC) No. 249-2012, appointed the following individuals as Evaluation Committee (the "Committee") members:

- Mario Coryell, Resident and Loan Review Committee Member
- Jacqueline Lalonde, Resident and Budget Advisory Committee Member
- Joe Londono, Resident and Leadership Academy Graduate
- Juan Rodriguez, Treasury Manager, Finance Department
- Allison Williams, Chief Accountant, Finance Department

WHEREAS, in addition to those noted in the LTC, the following individuals were proposed as alternates:

- Georgette Daniels, Senior Management and Budget Analyst, OBPI
- Mayra Diaz-Buttacavoli, Resident and Loan Review Committee Member
- John Gardiner, Resident and Budget Advisory Committee Member
- David Lancz, Resident and Budget Advisory Committee Member
- James Sutter, Internal Auditor, OBPI
- Juan Torres, Resident and Loan Review Committee Member

WHEREAS, on October 15, 2012, the Committee convened to review and discuss the proposals and decided to invite the proposers to provide a presentation detailing their customer service philosophy and approach, an explanation of their proposed fee structures regarding services and earning credit rates, available technology, and transition plan; and

WHEREAS, on November 2, 2012, the Committee reconvened to interview each proposer, and upon completion of the interviews, the Committee discussed their individual perceptions of each prospective firm's qualifications, experience, and competence and unanimously ranked SunTrust Bank and TD Bank, N.A. as the top-ranked and second-ranked proposers respectively; and

WHEREAS, after considering the review and recommendation of the Evaluation Committee, the Interim City Manager exercised her due diligence and recommends that the Mayor and the City Commission authorize for the Administration to negotiate an agreement with the top-ranked proposer SunTrust Bank; and should the Administration not be successful in negotiating an agreement with the top-ranked proposer, authorizing negotiations with the second-ranked proposer, TD Bank, N.A.; further authorizing the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.proposer.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the Interim City Manager, pursuant to Request for Proposals (RFP) No. 53-11/12, for the provision of various banking services to the City of Miami Beach for a five-year period with five one-year renewal options; and further authorizing the Administration to enter into negotiations with the top-ranked proposer, SunTrust Bank; and should the Administration not be successful in negotiating an agreement with the top-ranked proposer, authorizing negotiations with the second-ranked proposer, TD Bank, N.A.; further authorizing the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.

PASSED AND ADOPTED THIS	DAY OF	2012.
ATTEST:		
CITY OF EDIA	MAYOD	
CITY CLERK	MAYOR	

APPROVED AS TO FORM & LANGUAGE & FOR EXECUTION

Attorney Date



9/14/12 City of Miami Beach RFP No: 53-11/12 Banking Services

BANKING SERVICES REQUEST FOR PROPOSAL CITY OF MIAMI BEACH - RFP NO. 37-06/07

EXECUTIVE SUMMARY

To the City Council Members, Mayor, Management, and Employees of City of Miami Beach ("the City"), we are pleased to present SunTrust Banks, Inc. response to RFP 53-11/12 for various Banking Services. We understand the scope and nature of the work to be performed and are committed to meeting the City's needs.

Invest in your community and Lighting the Way to Financial Security. SunTrust invested in the City of Miami Beach in October 1964 (48 years ago) when we opened our branch on Lincoln Road. We have invested in New World Symphony and many other non-profit organizations and for profit businesses within the City over the decades as well. The City of Miami Beach invested in SunTrust by establishing a banking relationship three decades later in 1995. SunTrust committed to listen, to discuss new ideas, to deliver consistent service excellence and execution as we both grew and changed.

Team model approach. Fundamental to our consistent execution over the past 17 years was using a highly skilled team approach and leveraging our specialty government division's delivery and execution capabilities. Your SunTrust relationship team, with over 80 years of banking experience, communicates regularly about the City's goals and objectives to assure coordinated seamless execution of both operational treasury service needs and credit needs.

Financial security and positive earnings performance: Of the Top 10 banks in Florida 10 years ago, SunTrust Bank is the <u>only</u> bank to still have the same name. SunTrust is still SunTrust with assets totaling over \$178.2 billion as of 3/31/12, having an A3 Moody's senior debt rating and serving our clients with over 1650 bank branches across 11 states in the Southeast US. As of the second quarter of 2012 the Tier 1 common ratio is approximately 9.5% on a Basel I basis, or 7.9% based upon the recently issued regulatory proposal regarding Basel III. This ratio is well in excess of the 2019 Basel III 7% standard for major banks. Currently, SunTrust's market capitalization exceeds \$14 billion and its share price is up over 50% year to date.

Quick review of banking services currently in use:

The City has consistently strived for excellence in execution, wanting to utilize best practices, having excellent financial controls, increasing fraud prevention, and passing along efficiencies as a savings to its taxpaying citizens.

Today, the City utilizes many of SunTrust's state of the art treasury management services: our Zero Balance Accounting, Information Reporting Service through our web browser which provides the City the ability to manage ACH, wire transfer, book transfer and EDI transactions as well as retrieve specialized reports related to ACH and relevant images. We continue to offer our full complement of ACH services including direct deposit and our reconciliation service with CD-ROM capability. As it pertains to receivables services, SunTrust will continue to offer the wholesale lockbox service as it exists today with the enhanced Lockbox Image Browser feature which captures resident information on deposited items and remittance coupons. SunTrust will continue to provide cash vault service for deposits and change orders.

Moves designed to go paperless included the 2003 adoption of SunTrust's Purchasing Card-in —Hand program. SunTrust brought awareness of increase in ACH fraud and in 2007, was so committed that we offered the City free ACH fraud protection on the City's accounts which continues to this day.

Key next step recommendations for the City contained within this Proposal

<u>Bill Consolidator</u>: Consolidate, accelerate and upload online payments files regardless of originating vendor or bank. Improve cash flow, reduce operating cost, and increase fraud protection.



9/14/12 City of Miami Beach RFP No: 53-11/12 Banking Services

<u>Controlled Payment Reconciliation:</u> Already using this unique and innovative front-end matching system that automatically reconciles items presented for payment before they post to the account. CPR incorporates our Account Reconciliation, Fraud Control, and Controlled Disbursement services. We recommend an additional level of fraud protection for the City by adding Payee Name Verification to current Controlled Payment.

<u>Payroll Card</u>: Helps reduce costs, inefficiencies, reduce exposure to fraud and liabilities involved in managing payroll checks and at the same time providing enhanced employee benefits – easy access to payroll funds and enjoy additional benefits typically only available to individuals with bank accounts, including access to banking services and simplified bill paying.

<u>Online Check Deposit</u>: Accelerates check collection and enhances availability. Improves efficiency with simplifies processing and flexible reporting options and search feature

<u>Purchasing Card</u>: We are recommending a seamless enhancement using SunTrust's Enterprise Spend Platform which offers merchant category restrictions and compliance monitoring *and* adds an e-payables solution to the City's existing card-in hand program. E-Payables increases spend with potential rebates up to 3 X card-in hand capabilities and reducing fraud to almost zero.

Key SunTrust competitive P-Card advantages: Your Card Program Officer, Matthew Munafo is a former public sector program administrator and procurement professional. He understands and has experienced the concerns that the City has in regards to public scrutiny. His experience allows SunTrust to educate the City on best practices specifically to municipal sector as well as provide training on-site and locally through workshops (which he has done for the City). He and his team currently note the City tracks larger procurements with the card in hand program manually. This process leads to inefficiencies and the potential for error, especially pertaining to asset tracking, general ledger funding, lack of inventory management, and an increased risk of fraud exposure with high dollar credit lines open daily. With the payables solution, purchase order processes are kept intact, which eliminates the concern with manual tracking.

Fraud is decreased by maintaining low limits on cards and only raising limits to the exact dollar amounts owed to individual suppliers. The access to card numbers is also reduced by maintaining relationships with one contact at each supplier in their accounts receivable departments.

Our supplier enrollment team can contact your suppliers regarding card acceptance and enroll them into your payables program. This eliminates the City's time and effort to research potential spend opportunities with large volume suppliers. In addition to the increased revenues, the payables solution can help automate your vendor payment process, and reduce the overall number and cost of check processing and check fraud.

With the combination of an experienced public sector account manager, supplier enrollment team, and fraud prevention techniques, the City is able to automate processes, increase revenue, and efficiently and effectively, provide a successful card program

Best value of balances: estimated value to City \$170,620 annually (3 year ECR 50 bps, one year Muni-Now rate of 18 bps., semi-annual account settlement) The bank recommends the City consider a strategy that utilizes balances to offset banking service charges with remainder to be deposited into Muni-Now interest bearing accounts. We estimate balances of \$23 million in demand deposit accounts with a 50 bps ECR will offset all bank service charges and the remainder \$30.9 million will earn Muni-Now rate of 18 bps. This strategy achieves the greatest economic benefit for the City.

<u>Employee benefits – Lighting the Way to Financial Security:</u> SunTrust at Work banking service package is much more than just saving employees money or offering free banking. What distinguishes our program is providing financial planning education to the employee which provide them the confidence to make better long term financial decisions and *Lighting the Way to Financial Security*.



9/14/12 City of Miami Beach RFP No: 53-11/12 Banking Services

From all of us at SunTrust Bank, thank you for the opportunity to continue the long and trusted relationship between our entities. We are proud to have been a member of the City's business community these past 48 years and to have been your banking services provider these past 17 years. Together, we have experience the growth of the City of Miami Beach and are looking forward to a long lasting relationship. Please feel to call with any questions.

Respectfully your senior relationship team,

Steve T. Leth, Senior Vice President Relationship Manager Governmental Banking Group

Miami-Dade County

Hilda Irigoyen, Vice President Treasury Management Officer Governmental Banking Group Miami-Dade County

Hlda frigogn



Executive Summary

TD Bank, N.A. is uniquely qualified to meet the financial service needs of the City of Miami Beach. Throughout our proposal, TD Bank will demonstrate its unmatched commitment to customer service, our knowledge and understanding of Government Banking, our state-of-the-art cash management products and services, our innovative approaches, our commitment to the community and most importantly our desire to be the City's bank of choice. The following summarizes our proposal response to the City of Miami Beach.

FORCE OF CHANGE IN BANKING

TD Bank, N.A. is part of the powerful TD (Toronto Dominion) Bank Financial Group with assets in excess of \$806.3 billion as of July 31, 2012. TD Bank N.A. has the largest branch network of any bank operating in both the United States and Canada. TD operates subsidiaries such as TD AMERITRADE, TD Waterhouse and TD Canada Trust. In Florida, the bank has operated under the name Commerce Bank until TD Bank Group acquired Commerce Bank on March 31, 2008 and rebranded as TD Bank, America's Most Convenient Bank. While many banks in the United States have been adversely affected by recent economic conditions, TDBFG maintains a Aaa rating from Moody's (one of the few banks in the world to hold this distinction), has no sub-prime mortgage exposure and was recently ranked #13 on Barron's 500 list of top North American companies. In addition, Bloomberg just ranked Toronto Dominion as the strongest bank in North America among the Bloomberg 20 banks based on eight financial ratios equally weighted. Global Finance has named TD Bank one of North America's strongest financial institutions, Euromoney magazine named TD North America's Best Bank and most recently Money Magazine named TD as Best Regional Bank/East.

TD Bank has developed and successfully implemented a business model that has changed the way individuals, businesses and governments, bank, throughout our footprint. Our innovations in banking have made TD Bank the fastest growing bank in America. We're excited and confident that our unique approach to banking will provide numerous benefits to the City of Miami Beach. Our commitment to customer service requires constant reinvestment to create a truly superior customer experience. TD Bank grows by operating as a retailer with seven-day banking, extended hours and a passion for turning our customers into fans of TD Bank.

EXPERIENCE WITH GOVERNMENTS

TD Bank realized years ago that public sector entities and higher education institutions have unique needs and require a higher level of customer service. In addition, TD Bank recognized that many of these entities had to comply with numerous statutes that dictated how they conducted their financial affairs. In order to meet these needs, Government Banking was developed. Today, TD Bank provides banking services to over 5,000 government clients from Maine to Florida and holds over

\$15 billion in public deposits. Our Florida Government Banking team is well-versed in public finance and how to structure accounts and cash management solutions that provide cost savings, maximize interest earnings and simplify the way governments conduct business. They are well-versed on Florida Statutes and how they affect the City of Miami Beach. Careful attention is paid to the details that matter and our Government Bankers will provide on-going support to City staff members. Periodic relationship reviews will be conducted to ensure that the City of Miami Beach has the appropriate products and services and to keep the City abreast of new technologies and innovations in cash management and other new services offered by the bank.

OUR PROPOSAL

TD Bank has thoroughly examined the City's RFP for Banking Services. We are confident that we can provide all of the required services and exceed your expectations.

TD Bank offers several advantages that other banks cannot match:

- TD Bank was the first bank in the United States to offer Seven-Day Banking with extended hours. TD Bank is open for our customers 361 Days a year!
- Same day credit on deposits until branch closes.
- Next day availability on ALL deposits.
- Next day availability (by 8 A.M.) on merchant credit card deposits that has been transmitted by 6 P.M. the previous day.
- TD BANK WILL WAIVE FOUR (4) MONTHS OF SERVICE CHARGES FOR THE CITY OF MIAMI BEACH, ONCE SERVICES ARE FULLY IMPLEMENTED, TO HELP OFFSET ANY TRANSITION COSTS.
- TD BANK WILL <u>NOT</u> CHARGE THE CITY OF MIAMI BEACH ANY FDIC CHARGES, PROVIDING THE CITY AN ADDITIONAL COST SAVINGS.
- TD Bank offers a significant <u>discount on bank fees</u> over your current banking services provider. Please refer to tab D for pricing, interest and ECR information.
- TD Bank will provide to the City of Miami Beach an initial order off, 1,000 deposit tickets, 1,000 checks, 200 disposable night bags, 1 endorsement stamp per account, unlimited coin wrappers and unlimited bill straps at NO COST to the City. This will additionally aid the City with any transition cost.
- TD BANK WILL NOT CHARGE THE CITY OF MIAMI BEACH ANY IMPLEMENTATION/SOFTWARE FEES FOR CASH MANAGEMENT SERVICES.

CUSTOMER SERVICE

TD Bank promises to the City of Miami Beach that we will provide you with the customer service and support you deserve. Our Government Bankers, Cash Management Officers, Implementation Specialists and Customer Care Associates will be available to the City at all times. Should TD Bank be awarded the City's banking services, we will assign an implementation team that will provide guidance every step of the way. The Cash Management Officer working with the City will provide in-office training to staff for on-line banking and other technical services. The City will never have to call an 800 number to install services or receive training. TD Bank will take a measured and methodical approach to implementation and pledges not to "turn the switch" until the City is completely satisfied. Unlike other banks, our personnel will continue to support the City of Miami Beach long after implementation. In addition to local support, TD Bank is proud that all of our associates are located in the United States. TD Bank does not outsource customer service and backoffice support functions to other countries around the world. Calls to our Customer Care area are answered within three rings by a live person. The City's staff won't get lost in a maze of menu selections and voice mail. No other bank can make that claim! GetHuman.com which rates call centers across various industries gave TD Bank an "A" grade for our call center. TD Bank was the only bank to receive the highest rating in the nation.

CASH MANAGEMENT EXCELLENCE

TD Bank subscribes to market research provided by the highly regarded consulting firm, *Greenwich Associates*. Greenwich gathers data directly from Business Banking (\$1 to \$10 million in sales), Middle Market commercial (\$10 to \$500 million in sales) and other segments. The data assesses customer satisfaction over a range of categories including cash management service, operations accuracy and market share. TD Bank has been nationally rated #1 for four years in a row by Greenwich for overall business banking service, #1 overall banking service and #1 call center.

TECHNOLOGY AND INNOVATION

TD Bank is a vibrant, high growth company that constantly re-invests in the products, services, technologies and delivery channels used by our customers. TD Bank can offer many innovations to the City of Miami Beach.

- TD is one of the largest e-payment processors in North America and our head of U.S. Cash Management is the Chairman of NACHA's Rules and Operations Board.
- TD will spend several hundred million dollars on web banking applications and enhancements over the next year.
- TD was an early adopter of Check 21 and has received awards from the Federal Reserve for top digital check processing services. In Florida, TD Bank is a fully-imaged bank for deposit processing and check clearing.
- TD is the first bank of size to operate on a single platform across our entire branch footprint.

- TD has robust capabilities for converting paper documents to digitized images while applying ICR (Intelligent Character Recognition) to automate accounting and business analytics such as Positive Pay Payee Name verification.
- TD issues a variety of card products credit, debit, purchasing and T&E. Provider of re-loadable card solutions for payroll, benefits and a host of disbursement management applications.
- TD has the ability to offer straight through processing to establish/maintain data transmission and data management relationships. Integration of collection and/or disbursement channels into one to drive efficiency and convenience.
- TD offers innovative product solutions such as image enabled retail and wholesale lockbox platforms, integrated payables and receivables.

COMMUNITY CONCERNS

Because of our financial strength, TD Bank is able to focus on our customers, expand in the markets we serve and give back to the communities in which we operate. TD Bank believes that the City of Miami Beach is an excellent place to do business and to grow. As TD Bank, we will continue to invest in the City by growing our business, providing donations, sponsorships and volunteer hours. As we continue to grow in Miami-Dade County, TD Bank looks to expand our outreach into various sectors of the community.

TD Bank believes there are other ways in which we can support our communities. TD has launched a very strong "Green" program throughout North America. Some of our new "stores" and many to be built in Florida will be environmentally friendly (LEED certified) and operate on full or partial solar power. TD Bank believes that protecting the environment is part of our responsibility to the community.

Diversity is another area of commitment for TD Bank. Embracing diversity within TD Bank, among our customers and within our communities is the right thing to do and it makes sense for us as a business organization.

AN IMPORTANT DECISION

TD Bank looks to develop a long-term, mutually beneficial partnership with the City of Miami Beach that goes beyond banking products and services. TD Bank pledges to provide the City with a full range of products and services that meet the current and evolving financial needs of the City. We also pledge to work with the City to improve the quality of life for its employees and citizens. One example is our Bank at Work program that can provide numerous benefits to the City of Miami Beach employees. In addition, TD Bank will work jointly with the City to find ways to make the City of Miami Beach a stronger community.

TD Bank appreciates the opportunity to provide a proposal for Banking Services to the City of Miami Beach. We realize that choosing a financial institution that can meet the City's needs under current economic conditions is an important decision. At TD Bank, we are committed to providing the City with *world-class* service from all delivery channels, the latest in cash management services and technology and the flexibility not found at other financial institutions in Florida.

TD Bank is large enough to meet all of the City's needs; however, we're small enough to work with the City to develop unique approaches to satisfy unmet needs or those that will arise in the future. TD Bank would welcome the opportunity to make a presentation to the City of Miami Beach to further support our ability to provide the desired banking and treasury management services.

Sincerely,

Parnela Rambalawan

Famela Ramhalawan | Vice President Government Banking 5900 N. Andrews Ave. 2nd Floor Ft. Lauderdale FL 33309 TD Bank N.A. America's Most Convenient Bank TF 800.510.2265 Ph 954.233.2064 Fax 954.233.2037 pamela.ramkalawan@td.com

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