

060011

VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION  
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) \_\_\_\_\_  
Waiver of First Requested  
Recommendations of Boards, Commissions & Committees (Green) \_\_\_\_\_  
Other Business (Pink) \_\_\_\_\_

\_\_\_\_\_  
X  
\_\_\_\_\_

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: January 25, 2006 (COW)(B of T) February 2, 2006

TITLE: A Motion Authorizing the Extension of Banking Service Agreement with Oak Brook Bank

SUBMITTED BY: Timothy Sexton, Assistant Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

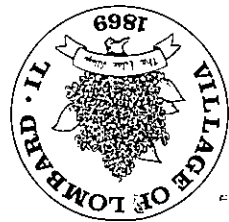
Staff presented the attached memo to the Finance Committee on January 17, 2006 regarding an extension of the contract with Oak Brook Bank for banking services. The Finance Committee reviewed the staff report and unanimously recommended for Village Board approval a three year contract extension with Oak Brook Bank for banking services, with an additional three year option subject to negotiation of prices at that time.

Review (as necessary):

Village Attorney X \_\_\_\_\_  
Finance Director X \_\_\_\_\_  
Village Manager X \_\_\_\_\_

Date 1/25/06  
Date 1/25/06

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



TO: Finance Committee Members  
William T. Lichter, Village Manager  
Leonard J. Flood, Director of Finance

FROM: Timothy Sexton, Assistant Director of Finance  
Anne M. Fairbairn, Accounting Manager

DATE: January 13, 2006

SUBJECT: Banking Services

The Village's current contract for banking services with Oak Brook Bank expires on April 30, 2006. Since the Village has been with Oak Brook Bank, we have received far superior banking services over former banking institutions. In addition, both the Police Pension Fund and the Firefighters' Pension Fund use Oak Brook Bank as their investment manager. Oak Brook Bank currently provides the following services for the Village:

- Depository Services
  - Direct deposit
  - Positive pay
  - Direct debit of water bill payments
  - Zero balance/sweep accounts
  - Armored courier service
  - Lockbox
  - Imaging to CD of statements and cleared checks
  - Internet access to all accounts
- Trust and Safekeeping Services
  - Safekeeping of all Village investments (outside of IL Funds and IMET)

The Village pays approximately \$4,300 per month for the services listed above (varies based on activity). Staff has contacted Oak Brook Bank for pricing on an additional three years, and they have agreed to keep their current pricing with no increases. When we issued a Request for Proposals (RFP) six years ago, Oak Brook Bank submitted the most competitive proposal that was approximately \$2,000 less on an annual basis than the next bank. This guaranteed pricing for the next three years, in combination with the superior service we have received during this period, is the reason staff is seeking the Finance Committee's recommendation on extending Oak Brook Bank's contract.

In lieu of a banking services RFP, staff is requesting that the Finance Committee concur in our recommendation to award a contract to Oak Brook Bank to provide banking services for the Village of Lombard for the next three years (May 2006 – April 2009), with an additional three year option subject to negotiation of prices at that time.