

COUNTY OF CLAY, TEXAS

5386262

**INVITATION TO BID
FOR
DEPOSITORY BANKS
FOR CLAY COUNTY**

**Debra Alexander
Treasurer
Clay County
214 North Main Street
Henrietta, Texas 76365**

Email: ectreasurer@claycountytexas.com

Voice: 940-538-5911

Fax: 940-538-5991

Bid Submitted by:

***Fidelity Bank
2525 Kell Blvd., Ste 100
Wichita Falls TX 76308***

INSTRUCTIONS TO BIDDERS

Bid Title.....Depository Bank Contract
Bid Opening Date..... March 13 2017
Bid Opening Time..... 10:00 a.m.
Mark Envelope.....Depository Bids
Contact Person.....Debra Alexander, County Treasurer
Contact Number.....940-538-5911

Bids must be received in the County Judge's Office, ATTN: Judge Kenneth Liggett at the Clay County Annex, 214 North Main Street, Henrietta, Texas 76365 no later than the date and time specified above. Public opening of the bids will be held in the Clay County Commissioners Courtroom at that time.

The Commissioners Court of Clay County reserves the right to reject in part or in whole any or all bids, waive minor technicalities, and award the bid which best serves the interest of Clay County. Late bids will be returned to the Bidder unopened.

Bids may be withdrawn at any time prior to the official opening. Alterations made before the opening time must be initialed by Bidder to guarantee authenticity.

The undersigned agrees, if this bid is accepted, to furnish any and all services upon which fees or interest rates are offered and upon the terms and conditions contained in the specifications. The period for acceptance of this bid will be thirty (30) calendar days unless a different period is noted by Bidder.

Bids must be submitted on the attached Bid Worksheet. By returning the Bid Worksheet, the Bank certifies that:

- 1. All rates and fees bid are firm for one (1) month.
- 2. Award of contract(s) will be executed by the Clay County Commissioners Court and will be confirmed by an award letter.
- 3. Any deviation from these terms and conditions must be stated as such when returning the Bid Worksheet.

SPECIFICATIONS FOR DEPOSITORY BANKS

It is the intent of Clay County to execute a contract with a bank desiring to be designated as the County Depository Bank and or sub depository bank for our satellite locations if necessary. By returning the Bid Worksheet, Bank acknowledges that it understands the Revised Civil Statutes of Texas (Article 2544, et.seq. of the Revised Civil Statutes of Texas, as revised by Local Government Code, Chapter 116.000 through 116.155 as passed by the 70th leg. 1987; Article 2547 a, b, c; and Article 2558a et.seq.) that pertain to the managing and safekeeping of County funds and will comply with those statutes.

Duration: The Bank contract will be effective for a period of two (2) years or four (4) years, as awarded by Commissioners Court, and ending sixty (60) days from the time fixed by law for the next selection of a depository, with an option to renew for the same period as originally awarded if in the best interest of Clay County. If a timed deposit maturity extends beyond the expiration date of the depository contract, the depository will pledge sufficient securities required by law for public funds to Clay County to provide for the maturity of the time deposit.

We will provide a Federal Home Loan Bank Letter of Credit to sufficiently cover any time deposits that extend beyond the expiration date of the depository contract.

Awarding Contract: Clay County will award the Bank Contract based on the following criteria:

1. Bank's past and prospective financial condition.
2. Net rate of return on county funds.
3. Ability to meet service requirements.
4. Cost of services.

Investments and Credit Card Services Made outside Depository Banks: Clay County reserves the right to make external investments and credit card services in accordance with the laws of the State of Texas and the Investment Policy of Clay County.

We acknowledge.

Submitting Financial Statements: All banks wishing to be designated as a Depository Bank must state the amount of the bank's paid-up capital stock and permanent surplus and must submit a statement showing the financial condition of the bank on the date of the application.

Provided FB Bancshares, Inc. and Subsidiary Consolidated Financial Statements for December 31, 2016 and 2015.

Provided FB Call Report for the closed of business December 31, 2016.

Good Faith Guarantee: Bank must submit with the Bid Worksheet a certified cashier's check in the amount of \$ 24291.78 (one-half of one percent of the county's revenue for the preceding year and one-half of one percent of the average daily balances of the County and District Clerk's Trust Accounts) payable to Kenneth Liggett, County Judge as guarantee of good faith. The check will be held by the County until a depository Bank is selected and the bond and/or security has been filed.

Provided

Payment for Services: Bank will specify fees required for services. Banking services not detailed on worksheet will be provided at no cost.

Schedule of Fees has been provided.

Amount to be Pledged: The initial amount of securities to be pledged against Clay County funds shall be adequate to fully collateralize the funds of Clay County and be no less than 110% of total deposits at market value and according to the laws of the State of Texas and shall continuously remain as such. This amount is subject to change as deposits fluctuate, with the approval of the Clay County Treasurer. Securities pledged must be held by a Third Party Bank approved by Commissioners Court or at the Federal Reserve Bank.

We will provide a Federal Home Loan Bank Letter of Credit to fully collateralize the funds of Clay County as specified above.

We have attached a Federal Home Loan Bank presentation on Letters of Credit for Collateralizing Public Funds.

Interest and Interest Rate: Variable interest rate bids and fixed interest rate bids on accounts and certificates of deposit shall be quoted by bank. Clay County reserves the right to select the rate most favorable to the county at any time during the term of the contract, subject to banking laws.

FB Rate Sheet has been provided.

Types of Interest Bearing Account:

Interest Bearing Checking Accounts: Clay County will have approximately thirty-five (35) accounts established under these specifications for disbursing checks written on Clay County funds. Checks and transfers will be written from these accounts. These estimates may vary in the duration of the contract.

See Brochure of FB Business Checking Accounts Attached

Money Market Accounts: Separate accounts are established under these specifications for daily operating transactions. The accounts will be used when their rates exceed IBCAs. The number of money market accounts used by the County will be less than six (6). These estimates may vary in the duration of the contract.

See Brochure of FB Business Savings Accounts Attached

Services Provided:

Reports:

1. A detailed monthly collateral-to-deposit report is required. The report shall contain security descriptions, par value/current face and current market value. To compensate for increases or decreases in county deposits and fluctuation of market value of pledged collateral, the minimum market value of collateral will be 110% of county deposits based on market value.

We agree to provide a detailed monthly report of County Funds compared to the Federal Home Loan Bank Letter of Credit. It will be provided as of close of business on the last day of each month and delivered within 5 days of the end of the month.

2. Monthly account analysis reports will be provided for each account and on a total account basis. The account will contain, at a minimum, the following:
 - daily average ledger balance
 - daily average float
 - average collected balance
 - reserve requirements
 - price levels for each activity
 - monthly volumes by type
 - earnings allowance

A sample account analysis format must be provided as part of the bid.

***We agree to provide these services.
See attached Sample Account Analysis.***

Statement: Monthly statements will include (original or photo copies) of checks, deposit slips, transfer slips and debit and credit memos, processed for ALL accounts. The daily ledger balances, average daily collected balances, number of debits, number of credits, and other items on which charges are based, should also be included in each monthly statement. All checks will be sorted in numerical order.

Statements should be processed and mailed no more than five (5) business days after the close of each month.

A sample statement format will be included as part of the bid.

***We agree to provide this service with the exception that money market and savings items are only available for viewing online.
See attached Sample Statement Format.***

Contact Person: Bank will specify an Officer of the Bank who will be responsible for attending to inquiries, requests for services, and daily activities regarding the managing of Clay County accounts.

Melissa Roberson, Henrietta Branch President

Online Services: Please provide details on all online banking features.

E-Corp Services

Fidelity Business eBanking services - \$20.00 per month charged by Analysis

- ***Online real-time balance inquiries***
- ***Pending account transactions***
- ***Account transfers***
- ***Account history***
- ***Loan balance information***
- ***Stop payments***
- ***ACH debits or credits***
- ***Online image items***
- ***Download account information to Microsoft Money, Intuit QuickBooks, Intuit Quicken or CSV (comma separated values) file***
- ***Authorized employee access to specific accounts***
- ***Remote Deposit Capture***
- ***Positive Pay***

Daylight Overdraft Provisions: The proposal should include any bank policy regarding daylight overdraft charges or handling.

We do not charge for intraday overdrafts. Should the intraday overdraft become an overnight overdraft or overnight loan then non-sufficient fees would apply at the discretion of your account officer.

Stop Payments: The bank will be required to process stop payments on verbal instructions from the County Treasurer or his/hers Assignee with follow-up written confirmation, or allow the treasurers' office to process stop payments on line.

We agree to provide this service at \$22.50 per Stop Pay charged by Analysis.

Stale Dated Checks: The bank will agree not to honor stale dated checks on Clay County accounts which are not endorsed as acceptable after the 90-day limit.

We currently do not have a system in place to monitor stale dated checks. We suggest monitoring of accounts daily using online banking.

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

We agree to provide this service.

Standard Deposit Services: The bank will guarantee immediate credit on all wire transfers, ACH transactions and government checks upon receipt and all other checks based on the Bank's availability schedule. All deposits received before the bank's established deadline will be credited daily.

We agree to provide this service.

Other Specific Services: As described on the Bid Worksheet, the bank will acknowledge services provided and attendant fees for such.

Schedule of Fees attached.

Direct Deposit Services are required.

We agree to provide this service.

Borrowings:

The Commissioners Court of Clay County must, from time to time, issue debt to enable the county to make a capital expenditure which is not feasible or not appropriate to fund in one budget year. The means most often used to meet such a capital requirement is a "time warrant", which is defined as "any warrant issued by a county that is not payable out of current funds" (L.G.C., Section 262.022 (5)).

ACKNOWLEDGED

Bid Worksheet for Depository Bank Bid

Interest Bearing Checking Accounts:	Variable <u>Interest Margin</u> *	Fixed <u>Interest Rate</u> *
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Not Applicable See FB Rate Sheet Attached

Money Market Accounts:	Variable <u>Interest Margin</u> *	Fixed <u>Interest Rate</u> *
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Not Applicable See FB Rate Sheet Attached

*Variable Rate = 91 day US T-bill Effective Rate (as determined by latest T-Bill Auction) + Margin (based on basis points).

Example: If 91 Day US T-Bill effective rate is 3.3% and basis points are 1.0, then the variable rate is 4.3%.

Minimum balance requirement per account will be listed below:

See FB Rate Sheet and Account Brochures Attached

Certificates of Deposit - Variable Interest Rate - **We do not offer this product**
91 Day US T-bill Effective Rate (as determined by latest T-Bill Auction)

	Less than \$100,000	More than \$100,000
1. Maturity 7 - 29 days	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points
2. Maturity 30 - 59 days	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points
3. Maturity 60 - 89 days	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points
4. Maturity 90 - 179 days	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points
5. Maturity 180 days-less than 1 year	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points
6. Maturity 1 year or more	+ <u>00.00%</u> basis points	+ <u>00.00%</u> basis points

Certificates of Deposit - Fixed Interest Rate

See FB Rate Sheet Attached

1. Maturity 7 - 29 day's
2. Maturity 30 -59 day's
3. Maturity 60 - 89 day's
4. Maturity 90 - 179 day's
5. Maturity 180 days - less than 1 year
6. Maturity 1 year or more

BID WORKSHEET FOR DEPOSITORY BANKS

Depository Services

Service Charge

1). Checking Accounts

Fidelity Business Account Analysis

For high-volume business accounts utilizing an array of banking services daily. Account analysis compensates a business account for collected balances in the form of a monthly Earnings Credit – which is used to reduce or eliminate account fees.

The Earnings Credit Rate (equal to the 13-week T-Bill rate) is applied to the account's current month average collected balance less reserve requirements (as set forth by the Federal Reserve Bank) to determine that month's Earnings Credit.

- \$100 deposit to open
- Monthly maintenance fee: \$5

BUSINESS ACCOUNT ANALYSIS SCHEDULE OF FEES

Transaction fees:

Per credit fee	\$.30
Per debit fee	\$.20
On-Us item deposit	\$.055
Transit item deposit	\$.060
Coin per roll	\$.08/roll
Currency per strap	\$.40/strap
Returned deposited item	\$ 2.00
Paid NSF item fee	\$ 25.00
Returned NSF item fee	\$ 25.00
Wire – outgoing	\$ 15.00
Wire – outgoing (international)	\$ 50.00
Wire – incoming	\$ 5.00
Stop payment	\$ 22.50
ACH Credit	\$.30
ACH Debit	\$.20
Negative collected balance	WSJ Prime + 4.0%
Earnings credit rate	13-week T-Bill rate

Note: There may be additional charges for services provided that are not shown on this fee schedule. Please note that we reserve the right to change or fees and will provide advance notice to you should our fees or terms vary from the information described above

Earnings Credit rate as February 28, 2017 = .50%

The below account balances are not included in earnings credit calculation for Account Analysis.

Fidelity Business Interest Checking

For sole proprietors, non-profit organizations and government entities. that have less than 175 transactions per month (including deposited items and electronic transactions).

- \$100 deposit to open
- Minimum daily balance to avoid monthly service charge: \$10,000 in Business Checking Ltd. II or \$20,000 in linked business savings, business money markets or business CDs
- Monthly service charge: \$10
- Account earns interest
- Imaged items in statement provided at no charge
- Original checks in statement: \$5 per month
- There is a \$.35 fee per excess transaction

2). Investment Accounts

SAVINGS & MONEY MARKET ACCOUNTS

Fidelity Business Savings

- \$100 deposit to open
- \$100 minimum daily balance to avoid monthly service charge
- Monthly service charge: \$3
- Interest earned on all balances
- Six free withdrawals per calendar month*
- There is a \$3 fee per excess withdrawal

Fidelity Business High-Yield Savings

- \$100 deposit to open
- \$25,000 minimum daily balance to avoid monthly service charge
- Monthly service charge: \$25
- Interest earned on tiered balances
- Six free withdrawals per month*
- There is a \$10 fee per excess withdrawal

Fidelity Business Money Market Account

- \$100 deposit to open
- \$2,500 minimum daily balance to avoid monthly service charge
- Monthly service charge: \$10
- Interest earned on tiered balances
- Six free withdrawals per month*
- There is a \$10 fee per excess withdrawal

****NOTE: Federal regulation limits transfers from this account to another account or to third parties by pre-authorized, automatic or telephone transfers to six per statement cycle period, with no more than six transfers by check or similar order to third parties. There is no limit on deposits, or the number of withdrawals the customer can make at an ATM, by mail, or in person at Fidelity Bank.***

3). Wire Transfers

Incoming	\$ 5.00
Domestic Outgoing	\$15.00
International	\$50.00

4). ACH Service Transfers:

Outgoing-Bank Initiated **Not Provided**

Computerized
Provided with E-Corp Services and charged by Analysis

5). In-House ACH Transfers

Internal Bank transfer are available by phone or Online using E-Corp Services at No Charge

As stated above the Bank will not initiate an outgoing ACH Transfer of funds.

6). Direct Deposits for Payroll

Available with E-Corp Services \$12.00 per file charged by Analysis

7). Furnish laser checks

Provided at No Fee

8). Furnish deposit slips
& endorsement
Stamps.

Provided at No Fee

9). Night depository services,
including bags & keys.

We provide disposable bags and a key at no charge.

10). Stop payments issued

**Available by phone and Online using E-Corp Services
\$22.50 per stop pay charged by Analysis**

11). Overdrawn Accounts

\$25.00 per Item charged by Analysis

12). Returned Items

\$25.00 per Item charged by Analysis

13). On-line Banking Services

Statements and Images – ***Provided at no charge***

Fidelity Business eBanking services - \$20.00 per month charged by Analysis

- ***Online real-time balance inquiries***
- ***Pending account transactions***
- ***Account transfers***
- ***Account history***
- ***Loan balance information***
- ***Stop payments***
- ***ACH debits or credits***
- ***Online image items***
- ***Download account information to Microsoft Money, Intuit QuickBooks, Intuit Quicken or CSV (comma separated values) file***
- ***Authorized employee access to specific accounts***
- ***Remote Deposit Capture***

14). EFT for Direct Deposit of

County employee payroll checks

Provided as part of our E-Corp Online Banking Services per file fee of \$12.00 charged by Analysis

15). Provide safe-keeping for outside purchases of securities by Clay

County at a Third Party Financial Institution, or with the Federal Reserve Bank.

Not Available

16). Additional Services and Charges:

Are there any additional charges for the requested collection, disbursement, investment or miscellaneous services? If so, please describe and indicate the fee per unit.

See FB Schedule of Fees

Comment:

Banks should be prepared to provide the treasurer's office an opportunity to physically work with this technology before the bid is awarded.

Will provide as requested

Do you offer Remote Capture? If yes, describe services.

Provided as part of our E-Corp Online Banking Services.

\$.050 Remote Item Fee charged by Analysis

\$.30 Remote Deposit Fee charged by Analysis

Approved Scanners are Available and the bank will not pay for this equipment.

Payment for Services:

The county may elect to pay for services either by direct fee payment or by compensating balance.

a. Direct fee

It may be the county's request that the bank bill and accept direct payment for services at the unit prices indicated in the previous section. Please indicate whether the bank will accept this method of payment.

Yes

No

X

If the County elects to pay the bank for services, each account billing will be presented monthly in hard copy with charges being on a straight fee basis with account balances not being a factor in determining the fees that are due.

b. Compensating Balance

In lieu of direct payment the county may request that a compensating balance be maintained at the managing bank in a zero-interest rate Certificate of Deposit within the control account only to cover services. The level of compensating balance will be determined as a result of:

- a. Services required (per bid)
- b. Service Price (per bid)
- c. Monthly activity (actual)
- d. Collected balances (actual)
- e. Legally required reserves (actual)
- f. Earnings allowance rate (per bid)

Please specify calculation of the earnings allowance rate. The formula for computing the earnings credit will use current reserve requirements. An example is as follows:

EXAMPLE

Collected bank balance (control account)	\$1,000,000.
(Less reserves required - 10% presumed)	<u>100,000.</u>
	900,000.
X Earnings Allowance	
(Assume 91 day T-Bill rate)	
Annual Earnings Credit	<u>x 3.3%</u>
	29,700
	Divided by 12
Total earnings credit for the month	2475
Please specify bank's calculation	_____

See attached Sample Analysis Calculation with explanation of earning credit calculation.

Bank must complete the information below to validate the bid for Depository Bank.

The undersigned affirms that they are fully authorized to execute this contract by providing the county with a resolution from the Board of Directors of the submitting bank authorizing or empowering the undersigned to execute this contract; that this bank has not prepared this bid in collusion with any other bidder; and that the contents of this bid as to fees, interest rates, terms, or conditions of said bid have not been communicated by the undersigned, nor by any employee or agent, to any other bidder or to any other person(s) engaged in this type of business prior to the official opening of this bid.

Name and address of Bidder: All unsigned Bids will be disqualified

Fidelity Bank
2525 Kell Blvd., Ste 100
Wichita Falls, TX 76308

Signature: Tommy McCulloch

Name: Tommy McCulloch

Title: President and CEO

Telephone Number: 940-763-2100

**Fidelity Bank
Rate Sheet
Effective 3/7/2017**

<i>Product</i>	<i>Rate</i>	<i>APY</i>	<i>Rate</i>	<i>APY</i>
<i>Interest Checking & Business Interest Checking</i>				
Compounded and Paid Monthly				
All Balances	.05	.05		
<i>Flagship Checking</i>				
Compounded and Paid Monthly				
\$0-24,999	.05	.05		
\$25,000-49,999	.20	.20		
\$50,000-99,999	.25	.25		
\$100,000+	.30	.30		
<i>Money Market</i>				
Compounded and Paid Monthly				
\$2,500-24,999	.15	.15		
\$25,000-49,999	.30	.30		
\$50,000-99,999	.55	.55		
\$100,000-999,999	1.05	1.05		
\$1,000,000+	1.15	1.15		
<i>Savings</i>				
Compounded and Paid Quarterly				
All Balances	.10	.10		
<i>High Yield Savings</i>				
Compounded and Paid Monthly				
\$0-24,999	0	0		
\$25,000-49,999	.15	.15		
\$50,000-99,999	.55	.55		
\$100,000-999,999	1.05	1.05		
\$1,000,000+	1.15	1.15		
<i>CD's & IRA CD's</i>				
Compounded and Paid Quarterly				
	Under \$100,000	Under \$100,000	Over \$100,000	Over \$100,000
6 Month	.50	.50	.50	.50
12 Month	1.00	1.00	1.00	1.00
24 Month	1.10	1.10	1.10	1.10
36 Month	1.25	1.26	1.25	1.26
48 Month	1.40	1.41	1.40	1.41
60 Month	1.75	1.76	1.75	1.76