

INSTRUCTIONS TO BIDDERS

Bid Title Depository Banks
Bid Received by Date..... April 9, 2021
Bid Received by Time..... 10:00 a.m.
Bid Delivery Location..... 400 W. Sinton #B50 Sinton TX
Bid Opening Date April 12, 2021
Bid Opening Time 2:00 p.m.
Mark Envelope Depository Bids
Bid Awarded Date April 26, 2021
Bid Awarded Time 9:00 a.m.
Bid Awarded Place Commissioner’s Court Room
Depository Contract Effective Date July 1st, 2021
Contact Person Denise Janak, County Treasurer
Telephone Number (361) 364-9330

Bids must be received sealed in the County Auditors’ Office, 400 West Sinton Street Room B50, San Patricio County Courthouse, Sinton, Texas, 78387, no later than April 9, 2021 at 10:00 a.m. Public opening of the bids will be held in the Commissioners' Courtroom, San Patricio County Courthouse, at 2:00 p.m. on April 12, 2021.

The Commissioners' Court of San Patricio 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 San Patricio 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Bids may be withdrawn at any time prior to the official opening.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 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 fifteen (15) 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 to be firm for one (1) month.
2. Award of contract(s) will be executed by the San Patricio County Commissioners' Court and will be confirmed by an award letter.
3. Any deviations from these terms and conditions must be stated as such when returning the Bid Worksheet.

Specifications for Bid Depository Banks

It is the intent of San Patricio County to execute a contract with a bank desiring to be designated as the County Depository Bank. 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 116.001 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 four (4) years ending sixty (60) days from the time fixed by law for the next selection of a depository. 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 San Patricio County to provide for the maturity of the time deposit. Two year extension contract may be negotiated between San Patricio County and Depository Bank.

Awarding Contract- San Patricio 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 Made Outside Depository Banks- San Patricio County reserves the right to make external investments in accordance, with the Laws of the State of Texas and the Investment Policy of San Patricio County.

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.

Good Faith Guarantee- Bank must submit with the Bid Worksheet a certified cashier's check in the amount of \$276,358 [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 Clerks' Trust Accounts (\$7,238.31)] payable to San Patricio County as a 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.

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

Amount to be Pledged- The initial amount of securities acceptable to San Patricio County to be pledged against San Patricio County funds shall be adequate to fully collateralize the funds of San Patricio County 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 San Patricio County Treasurer. Securities pledged must be held by a Third Party Bank approved by Commissioner's Court or the Federal Reserve Bank.

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

Types of Interest Bearing Accounts:

Interest Bearing Checking Accounts- San Patricio County will have accounts established under these specifications for disbursing checks written on San Patricio County funds. Checks and transfers will be written from these accounts; and wire transfers, ACH transfers, internal bank transfers or deposits will be made to these accounts. For monthly activity estimates for each account, see Appendix A. These estimates may vary during the duration of the contract.

Money Market Accounts- Separate accounts are established under these specifications for daily operating transactions. These accounts will be used when their rates exceed IBCAs. No estimates have been furnished as the County is not currently utilizing Money Market Accounts.

San Patricio County will consider consolidating existing accounts into several concentration accounts.

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.
2. It is requested that as a part of the bid the Depository Bank will provide an online microcomputer communication link to the County for daily reporting on fund balances, collateral and ledger balances and detail debits and credits.
3. Monthly account analysis reports will be provided for each account and on a total account basis. The account analysis will contain, at a minimum, the following:
 - daily average ledger balance
 - average collected balance
 - price levels for each activity
 - earnings allowance
 - daily average float
 - reserve requirements
 - monthly volumes by type

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

4. Depository Banks will have and maintain a minimum ten percent primary capital to assets ratio as compiled by dividing line 28 (total equity capital) by line 42 (total assets) on the Federal Financial Institutions Examination Council Form 032. Copies of the FFIEC form 32 statement will be included in the bid and shall be a continuing quarterly reporting requirement of the Depository Bank.

Should primary capital ratio fall below ten percent, the Commissioners Court will review bank plans for future earnings and capital increases before determination is made to close out the depository.

Statements- Monthly statements will include 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.

Statements should be processed and ready to be picked up no more than five (5) business days after the close of each month. The Treasurer or the department responsible for the account will pick up each statement.

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

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 San Patricio County accounts.

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

Stop Payments- The Bank will be required to process stop payments on verbal instructions from the County Treasurer or her assignee with follow-up written confirmation.

Stale Dated Checks- The Bank will agree not to honor stale dated checks on San Patricio County accounts which are not endorsed by the County as acceptable after the 180-day limit.

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

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.

EFT- The County now disburses approximately three fourths of our payroll checks by Electronic Funds transfer and may, in the future desire to have the ability to process certain accounts payable by electronic funds transfer. Please indicate on your bid, your willingness to accept such transactions and whether or not your Bank has the capabilities to handle such transactions. Must demonstrate the ability to transfer funds electronically.

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

ATM

The County may elect to establish additional accounts in the names of some or all of the Justices of the Peace of San Patricio County. These accounts, if established, will be minimal balance accounts to collect fines and fees collected by these officials. A major consideration in the use and establishment of the JP accounts will be the accessibility of branch offices or Automatic Teller Machines (ATM) to accept deposits. Please indicate on your bid, your willingness to accept such accounts and whether or not your bank will accept The County's compensatory balance in lieu of fees and the location of your affiliate ATM's or branch offices which will accept deposits.

Courier

In the event the County awards the bank depository bid to an out of town bank, will the bank agree to provide courier service at no charge, where a time will be specified for pickup of deposits at The Courthouse daily for transportation to the bank via locked deposit bags.

Branch Offices

The County has fee collecting offices in Sinton, Portland, Mathis, Odem, Taft, Aransas Pass and Ingleside. In the event the County awards the Bank Depository Bid to an out of town bank, will the bank consider opening Branch Offices, or ATM machines in any or all of these towns.

Bid Worksheet Depository Banks

Interest Bearing Checking Accounts:	Variable * <u>Interest Rate</u>	Fixed <u>Interest Rate</u>
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Money Market Accounts:	Variable * Interest Rate	Fixed Interest Rate
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Certificates of Deposit - Variable Interest Rate 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	+ basis points	+ basis points
2. Maturity 30-59 days	+ basis points	+ basis points
3. Maturity 60-89 days	+ basis points	+ basis points
4. Maturity 90-179 days	+ basis points	+ basis points
5. Maturity 180 days-less than one year	+basis points	+ basis points
6. Maturity 1 year or more	+ basis points	+ basis points

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%

Certificates of Deposit -

Fixed Interest Rate

- | | | |
|---|-------|-------|
| 1. Maturity 7-29 days | _____ | % |
| 2. Maturity 30-59 days | _____ | |
| 3. Maturity 60-89 days | _____ | |
| 4. Maturity 90-179 days | _____ | _____ |
| 5. Maturity 180 days-less than one year | _____ | _____ |
| 6. Maturity 1 year or more | _____ | _____ |

Minimum balance requirement per account will be listed below:

Yes No Dollar Amount in fee

Services Provided:

1) Monthly Account Analysis

Comment: _____

2) Automated Balance Reporting on Daily Activity

Comment: _____

3) Wire Transfers:

Incoming _____

Outgoing _____

Comment: _____

4) ACH Service Transfers:

Outgoing-Bank Initiated _____

Computerized _____

Comment: _____

Yes No Dollar Amount in fee

5) In-House Account Repetitive Transfers / Non-Repetitive / Computerized

Comment: _____

6) Account Maintenance on Checking Accounts

Comment: _____

7) Account Maintenance on Money Market Accounts

Comment: _____

8) Furnish deposit slips, deposit books, and endorsement stamp

Comment: _____

9) Night depository services, including bags and keys

Comment: _____

10) Stop payments issued

Comment: _____

Yes No Dollar Amount in fee

11) Overdraft Accounts

Comment: _____

12) Returned Items

Comment: _____

13) Printing and furnishing continuous form checks as required by the county

Comment: _____

14) Printing and furnishing checks binder form as required by the county

Comment: _____

15) Sequential check sorting:

Comment: _____

16) Provide safe-keeping for outside purchases of securities by San Patricio County at a Third Party Financial Institution, or with the Federal Reserve Bank

Comment: _____

Yes No Dollar Amount in fee

17) Allow eligible repurchase agreements or eligible money market mutual funds from the Bank's portfolio of U.S. Government obligations on an overnight or on a week-end basis

Comment: _____

18) Computer telecommunications link from which San Patricio County accounts will be monitored only by authorized individuals in the Treasurer's Office.

Comment: _____

19) Controlled Disbursement Accounts

Comment: _____

Yes No Dollar Amount in fee

20) Zero-Balance Accounts

Comment: _____

21) Lock Box

Comments: _____

22) 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.

Other Services:	Yes	No	Dollar Amount <u>in fee</u>

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 sections. Please indicate whether the bank will accept this method of payment.

Yes No

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:

1. Services required (per bid)
2. Service prices (per bid)
3. Monthly activity (actual)
4. Collected balances (actual)
5. Legally required reserves (actual)
6. 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)	-100,000
	900,000

Collected bank balance (control account)	\$1,000,000
x Earnings allowance (assume 91 day T-Bill Rate)	x 3.3%
Annual Earnings Credit	29,700
	Divided by 12
Total Earning for the month	2475

Please specify bank's calculations:

APPENDIX A

NAME	DEBITS/CHECKS/ TRANSFERS	CREDITS/TRANSFERS/DEPOSITS
Investment	15	#
District Attorney Forfeiture	#	#
	65	145
Tax Accounts		
Highway		
Sales Tax	16	20
Title	40	20
2 Tax	290	130
Special	10	5
District Clerk		
Trust	10	5
Cost Deposit	20	5
Payroll	1500	#
General Fund	2500	60
Health Plan		#
Dental Plan	600	#
	50	
Adult Probation		
Adult Probation	175	20
Adult Probation	200	#
C.B. Restitution Center	850	20
C.B.R. Petty Cash	#	#
Justice Of The Peace Administrative	75	130
J. P. Credit Card Account	30	150
Court Account	200	15
County Clerk		
Probate	#	#
Civil	#	#
General	150	35
Trust	#	#
Cash Bond	65	15
Credit Card Account	#	35
Investigative Fund	#	#
Petty Cash	#	#
Sheriff Department (2)	50	25
Grants (4)	#	#

DENOTES A NUMBER LESS THAN 10

TYPE OF ACCOUNT	NUMBER OF ACCOUNTS	JANUARY 31, 2021 BALANCE
Interest Bearing Accounts	35	\$14,301,367.16
County Clerk Trust	1	\$809,072.47
District Clerk Trust	1	\$638,589.19
Investment Pool Accounts	3	\$77,482,389.50
TOTAL - \$93,231,418.32		

Bank **must** complete the below information 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

Signature: _____

Name: _____

Title: _____

Telephone No: _____