

Notice
Depository Bank Applications for Wichita County

The Wichita County Commissioners Court will accept sealed applications marked, "Depository Application," for a bank to serve as county depository. Applications will be accepted until call for opening in meeting scheduled for Monday, June 12, 2017 at 10:00 a.m. in Room 270, Wichita County Courthouse. Application information is available on the County's website (www.co.wichita.tx.us) or from the Office of County Judge, Room 260, Courthouse, Telephone 940-766-8101. The court intends to contract with the bank deemed to offer the most favorable terms but reserves the right to reject any or all applications.

APPLICATION FOR DESIGNATION AS
COUNTY DEPOSITORY
WICHITA COUNTY, TEXAS

General Information

Banks wishing to serve as County Depository for Wichita county, Texas for purpose of receiving, holding, investing and disbursing, on instruction of the County, all monies received by the County including trust funds of the County Clerk and the District Clerk and funds collected by the County Tax Assessor-Collector shall make application to the County Judge in accordance with Local Government Code Section 116.023 and 117.021 Vernon's Annotated Texas Statutes (VATS). Applications must be received by time specified in the Notice and must be accompanied by a certified check or cashier's check in the amount of \$250,000.00 to meet the requirement of Local Government Code Section 116.023 regarding guarantee of good faith. On selection of a depository by the Commissioners Court, checks of those applicants not selected shall be immediately returned; the check of the successful applicant shall be returned on qualification as County Depository and approval of Commissioners Court.

The term of the selected County Depository shall begin on or about August 1, 2017 and shall run until up to sixty (60) days after the time fixed for the next selection of a depository which for planning purposes shall be designated as on or about June 1, 2021.

Designation hereunder of a Depository Bank and compliance by the bank, so designated, with the depository agreement or contract shall be in accordance with all the applicable provisions of Chapter 116 and 117 of the Local Government Code, VATS and with all other applicable statutes of Texas. SEE SAMPLE DEPOSITORY CONTRACT ATTACHED.

All monies received by the County may or may not be deposited with the County Depository during the term of this contract depending upon the current investment plan being implemented by the County.

Specific Elements of the Application

1. In accordance with the Local Government Code, Section 116.023, VATS, applicants are required to submit in their applications to the County Judge:
 - a. A statement of the amount of paid up capital stock and permanent surplus of the bank.
 - b. A statement of financial condition of the bank as of the date of the application.
2. Proposals should contain the following:
 - a. The fixed rate of interest that the Depository will pay for the term of the depository contract on time deposits.
 - b. A variable rate based on a fixed percentage that is more than that available on U.S. Government obligations of comparable maturity on time deposits so long as this rate is not in violation of applicable regulations.

- c. A fixed and/or variable rate for demand accounts.
- d. A statement that the interest to be paid Wichita County on time deposits will be at a rate not less than the maximum interest rate quoted by the bank on date of deposit to its other depositors for similar maturities.
- e. The rate of interest to be charged the County in event of temporary overdrafts in checking accounts and the lending rate on temporary legal loans.

3. Applicants shall also enumerate:

- a. Any charges to be made against the County for services rendered in handling of County funds.
- b. Any compensation and/or compensating services offered by the applicant to the County in connection with the handling of County funds. In this connection the County Treasurer has requested that applicants for Wichita County Depository check the following list of services that will or will not be provided to facilitate the duties of the Treasurer.

(1) Will applicant supply Treasurer with one continuous Bank Statement for each account starting on the first day of each month and continuing through the last day without closing out between times?
 (Please Check) Yes _____ No _____

_____ (2) Will applicant bring to the Treasurer's office statements and images of canceled checks in numerical order for the three largest accounts (Jury Fund, General Operating Fund and Payroll Fund)?
 (Please Check) Yes _____ No _____

(3) Will applicant handle Certificates of Deposits and NOW Accounts as the Treasurer may request at no charge to the County as long as minimum required balance is maintained?
 (Please Check) Yes _____ No _____

(4) Will applicant handle transfers between funds by written instructions of the appropriate County Official at no charge to the County?
 (Please Check) Yes _____ No _____

_____ (5) Will applicant make stop payments on checks by written instructions of the appropriate County Official at no charge to the County?
 (Please Check) Yes _____ No _____

(6) Will applicant provide capability for direct deposit of payroll checks to accounts of county employees.
 (Please Check) Yes _____ No _____

_____ If yes, please provide terms, conditions and costs of this service.

4. The applicant selected as depository shall be allowed to establish on the basis of negotiations with the county, new interest rates and financial terms of the contract that will take effect during the final two years of the four year terms if:
 - (1) The new financial terms do not increase the prices to the county by more than ten (10) percent; and
 - (2) The county has the option to choose to use the initial variable interest rate option or to change to the new fixed or variable interest rate options proposed by the bank.

5. The applicant selected as Depository shall within 15 days of selection comply with Section 116.051 of the Local Government Code, VATS, which requires pledge with the Commissioners Court of securities of the following kind in amount equal to the amount of County funds on deposit in depository bank:
 - a. Personal bond; surety bond; bonds, notes and other securities: first mortgages on real property; real property; certificates of deposit; or a combination of these methods, or
 - b. Investment securities or interests in them as defined to mean:
 - (1) an obligation that in the opinion of the attorney general of the United States is a general obligation of the United States and backed by its full faith and credit.
 - (2) a general or special obligation issued by a public agency that is payable from taxes, revenues or a combination of taxes and revenues; or
 - (3) a security in which a public entity may invest under Chapter 2256 of the Government Code.

All securities now or hereafter pledged hereunder shall be kept in an escrow account for safekeeping and shall be subject to the joint instructions of the Wichita County Commissioners Court and duly authorized official of the depository bank. Selection of an escrow bank shall be jointly approved by the depository bank and the Wichita County Commissioners Court and the sole duties of the escrow bank shall be to hold the securities and/or cash subject to joint instructions. All such arrangements for safekeeping of such securities shall be without cost to Wichita County and Wichita County shall not be responsible for any loss, misplacement, theft, injury or other misappropriation in any manner occasioned to such securities or any of them while in safekeeping as herein provided, save and except any loss, howsoever arising, injury or damage that may be due to the acts of the Wichita County Commissioners Court or any member thereof or any other representative or agent of such court. In the event any part of the securities pledged hereunder shall be lost, misplaced, stolen or otherwise misappropriated without culpability of Wichita County, the depository bank shall forthwith restore the same or its equivalent with other securities of the kind and character authorized by law to be pledged hereunder.

6. Upon qualification of the applicant by pledge of securities and approval of the Commissioners Court the certified check of the applicant selected as County Depository shall be returned. Section 116.023 Local Government Code, provides that failure of the selected applicant to qualify shall cause the amount of the certified check to go to the County as liquidated damages.

7. Applications are to be filed with County Judge Woodrow W. Gossom, Jr. not later than 10:00 a.m., Monday, June 12, 2017. Factors used in evaluating applications will include such considerations as safety of funds, availability of funds, services provided free and on fee basis and interest rates offered.

Application

The undersigned hereby makes application to the Wichita County Commissioners Court for designation as County Depository for Wichita County and agrees, if so designated, to act as County Depository for Wichita County during the term named above in accordance with all applicable statutes of Texas. Letter is attached hereto containing the required information for application.

Name of Bank

By _____

Title

SAMPLE CONTRACT INCLUDED FOR INFORMATION

THE STATE OF TEXAS <

COUNTY OF WICHITA <

DEPOSITORY CONTRACT BETWEEN COUNTY OF WICHITA
AND _____

WHEREAS, the Commissioners Court of Wichita County, Texas has published notices asking that sealed bids be submitted to it, preparatory to the selection by the Commissioners Court of a County Depository, as is required by law, said notice stating, among other things that the depository thus to be selected by the Commissioners Court should be the depository for county money, money collected and held by the Tax Assessor-Collector pending distribution, money deposited in the several "county funds" as required by State of Texas statutes and trusts funds in possession of the County and District Clerks of Wichita County, Texas as required under V.T.C.A., Local Government Code, Section 117.021 et. seq., and that the amounts of such monies for which the depository should furnish bond or other security are approximately as follows:

- 1) Funds belonging to Wichita County which shall also cover the funds deposited by the County Tax Assessor-Collector in the amount of _____ .
- 2) Trust Funds in the hands of the County and District Clerks in the amount of _____.

WHEREAS, _____, a banking corporation domiciled in the City of Wichita Falls, Wichita County, Texas submitted its written bid in response to said notice, which was received by said Commissioners Court and entered upon its minutes; and said Commissioners Court, by its order entered to that effect, accepted the bid and application of _____, and on June _____, 2017, designated _____, as county depository and as the depository for the funds herein above mentioned to be effective August 1, 2017, contingent upon the execution of a depository contract; and

WHEREAS, _____ which for brevity is hereinafter sometimes referred to as Bank and sometimes as Depository, hereby accepts said designation as the depository for the public funds herein above mentioned, to serve as such for a period of four years, and desires to qualify as such depository by pledging with the Commissioners Court bonds and other securities in lieu of its furnishing a personal bond or surety bond, the securities thus pledged by said Bank to the Commissioners Court to be deposited and held for safekeeping in the manner hereinafter provided, and which bonds and securities shall always have a fair market value of at least ten percent (10%) above the total dollar sum of funds Wichita County had on deposit in the Bank at any given time;

NOW, THEREFORE, in consideration of the premises and for the purposes and upon the conditions herein stated, the _____ does hereby agree to pledge with Wichita County and the Commissioners Court thereof securities as follows:

See Exhibit "A" aggregating \$_____ Market value, said securities being of the kind and character authorized to be thus pledged by V.T.C.A., Local Government Code, Section 116.051 as now amended by the Legislature of said State. Exhibit "A" is made a part of this Contract for all purposes.

_____ as such Depository hereby acknowledges itself duly and firmly bound for the faithful performance of all of the duties and obligations devolving by law upon it as such Depository that all funds deposited with it as such Depository shall be faithfully so kept by it as such Depository and accounted for according to law; that with respect to the funds belonging to Wichita County, or under its jurisdiction and control, it will pay on presentation all checks and drafts upon it as such Depository by the County Treasurer of Wichita County, when sufficient funds are on deposit therefor. The pledge by of the securities herein mentioned is for the purpose of securing the faithful performance by said Bank of its duties as Depository as herein set forth and will be placed in safekeeping with with receipts of such safekeeping to be delivered to the County Treasurer of Wichita County, within five (5) days of deposit.

The Depository shall provide the County Treasurer of Wichita County within 5 days from the last day of each month during this contract verification of securities pledged and which verification shall include a complete description of the security, the par value, market value, maturity date, rating and book value.

In keeping with the bid application filed by the Bank with the Commissioners Court, it is agreed that the Commissioners Court will deposit all funds of Wichita County in the hands of the County Treasurer with the Depository for safekeeping; provided however that the Commissioners Court pursuant to the investment policy of the County may authorize the County Treasurer to invest any amount of funds of the County that are not immediately required to pay obligations of the County or to be kept on deposit to meet other terms as may be set forth in the bid application in financial instruments as authorized by the Local Government Code Sec. 116.112, V.T.C.A.

It is agreed that interest will be paid by Depository at the rates as mentioned in the bid application, which bid application is marked Exhibit "B" and is made a part of this contract for all purposes, and Depository will furnish services as specified in bid for the period of four (4) years, effective _____, 2017 through the _____ day of _____, 2021. Interest rates and financial terms for the final two years of the four year term may be negotiated as provided by Local Government Code Section 116.021 or will remain the same if not renegotiated by the 31st day of July, 2019.

When the securities pledged hereunder shall be in excess of the amount required under this contract, the Commissioners Court shall permit the release of such excess and such excess shall be surrendered to the Bank. When the funds on deposit with the Depository shall for any reason increase beyond the amount of security of such deposits, the Bank shall immediately pledge additional securities with the Commissioners Court hereunder to the end that securities pledged shall equal the amount required under this contract for funds on deposit in the Depository and covered by this depository contract. The Bank shall have the right of substituting other securities for those herewith pledged, or any part thereof, provided the securities substituted meet the requirements of the law and are approved by the Commissioner Court.

The depository contract may be terminated by either party at their option and without prejudice to any other remedy to which it may be entitled at law or in equity, or elsewhere under the contract, by giving written notice of termination to the other party if the party who is being given notice should:

1. Be adjudicated a voluntary or involuntary bankrupt;
2. Institute or suffer to be instituted any proceeding for a reorganization or rearrangement of its affairs;
3. Make an assignment for the benefit of creditors;
4. Become insolvent or have a receiver of its assets or property appointed;
5. Allow any final money judgement against it to remain unsatisfied for a period of thirty (30) days or longer; or
6. Remain in default in the performance of any of the covenants, responsibilities, or obligations imposed upon it by this contract for a period of thirty (30) days or longer.

Any suit arising out of or in any way connected with this contract shall be tried in the County of Wichita and State of Texas in any court having jurisdiction of the subject matter thereof.

IN TESTIMONY WHEREOF, witness the signature of _____, on this the _____ day of _____, 2017, acting by and through its officers who are hereunto duly authorized by resolution of the Bank's Board of Directors, and of Wichita County, acting by and through its County Judge and Commissioners Court, and pursuant to resolution of said Commissioners Court dated the _____ day of _____, 2017.

For Depository Bank

For Wichita County

The State of Texas <

County of Wichita<

Before me, _____, on this day personally appeared
, known to me to be the person whose name is subscribed to the foregoing instrument and
acknowledged to me that the executed the same for the purposes and consideration therein
expressed, and in the capacity therein stated.

Given under my hand and seal of office _____, 2017.

(Seal)

My Commission Expires:

Notary Public, State of Texas

The State of Texas <

County of Wichita<

Before me, _____, on this day personally appeared
, known to me to be the person whose name is subscribed to the foregoing instrument and
acknowledged to me that the executed the same for the purposes and consideration therein
expressed, and in the capacity therein stated.

Given under my hand and seal of office _____, 2017.

(Seal)

My Commission Expires:

Notary Public, State of Texas