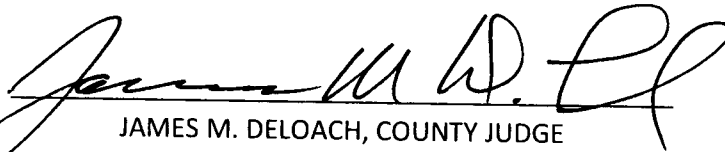


LAMB COUNTY DEPOSITORY BID VALIDATION


WHEREAS, the Commissioners' Court of Lamb 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 the County money as required by Article 255a and;

WHEREAS, First Bank & Trust, Littlefield, Texas, a Texas Company domiciled in the city of Littlefield, Lamb 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 to that effect, accepted the bid and application of the First Bank & Trust, Littlefield, Texas as County Depository.

IN WITNESS WHEREOF, we, the Commissioners' Court of Lamb County to hereunto validate First Bank & Trust as the County Depository.


JAMES M. DELOACH, COUNTY JUDGE

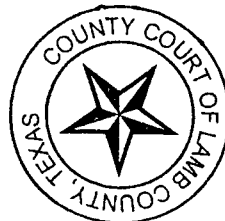

CORY DEBERRY, COMMISSIONER PRECINCT #1


KENT LEWIS, COMMISSIONER PRECINCT #2


DANNY SHORT, COMMISSIONER PRECINCT #3


LEE LOGAN, COMMISSIONER PRECINCT #4


TONYA RITCHIE, COUNTY CLERK



Depository Bank Evaluation 2021

Bank Name	First Bank & Trust	First United Bank
Contractual Requirements		
2.1 Bank Affiliation	X-Member FDIC	Yes-First United Bank is a Texas State Chartered Bank, with a full-service facility in Lamb County. First United Bank is also a member of the Federal Depository Insurance Corporation.
2.2 Compliance with Statutes	X-Counties deposits will be secure with a FHLB Letter of Credit.	Yes
2.3 Duration of Contract	X	Yes- First United Bank will pledge sufficient securities required for public funds of Lamb County as long as Lamb County has funds on deposit.
2.4 Re-negotiations	X	Yes- First United Bank will pledge sufficient securities required for public funds of Lamb County as long as Lamb County has funds on deposit.
2.5 Submitting Financial /Statements	X-Hard Copy provided in "Original" bid document however most current located at htlf.com.	Yes-The most recent three Call Reports, June 30, 2020, September 30, 2020 and December 31, 2020 (Tab#3) and Financial Statements for the Years ended September 30, 2019 and September 30, 2020 (Tab #4) are included in this package. We are happy to furnish the County Treasurer updated call reports and annual financial reports upon the County's request.
2.6 References	X-First Bank and Trust manages over \$100 Million of Public Fund deposits currently.	Understood-Sudan ISD, Seminole ISD, Dawson County
2.7 Good Faith Guarantee	X-Cashiers Check is attached	Yes- Cashier Check included in this package
2.8 Pledged Collateral Security	X-Addressed in cover letter	Yes-First United Bank agrees with the pledging requirements and will secure all deposits exceeding FDIC insurance coverage with approved securities. First United Bank has an adequate inventory of securities for pledging purposes. A reports of all securities pledged will be mailed to the County by the 10th of each month.
2.9 Liquidated Damages	X	Yes
2.10 Collateral Management	X-Secured by a letter of Credit from FHLB adhering to collateral requirements.	Yes-First United Bank will review the County's account balances by EIN number daily to ensure there is sufficient collateral pledged to protect covered accounts.
2.11 Value of Collateral	X-FHLB will provide monthly reporting	Yes-First United Bank used an independent third-party that provides market values for any pledged securities. The market values are updated monthly.
2.12 Investments Made Outside Depository Bank	X	Yes-First United bank understands that the County reserves the right to make external investments.
2.13 Transition Period at End of Contract	X	Yes-First United Bank will pledge sufficient securities required for public funds of Lamb County as long as Lamb County has funds on deposit

Depository Bank Evaluation 2021

Bank Name Contractual Requirements Services Provided	First Bank & Trust	First United Bank
3.1 Reports 3.2 Contact Person	X-FBT will provide robust online banking platform for balances, etc. This is a no charge bid for currently utilized services. X-Pat Demel and/or Elsa Rendon	1. A report of all Securities pledged is mailed to the County by the 10th of each month. A sample report is included in this bid behind tab number 7. 2. The County can view daily account Balances through Cash Management. We can also schedule a report to be email to the County if needed. First United Bank will want to verify the security of the data delivered to the delivery point. 3. N/A-Lamb County WILL NOT incur any service charges based on any Account Analysis computation(s). Lance Broadhurst, Stacey Morris-Potter
3.3 Statements	X-Lamb County is an existing bank client and statements will remain as provided.	Yes-The Bank can print five checks, front and back, per page but debit and credit memos do not show on the statement until the have been hard posted to the account. The bank statement details the items requested in this bid; a sample statement can be located behind tab #9. Monthly bank statements will be mailed to the County on the first business day of the month, or the County can elect to have eStatements email to them on the first business day of the month.
3.4 On-Line Services	X-FBT is pleased to provide it Commercial Online Banking Platform to the County	Yes-Fist United Bank will provided on-line banking and cash management tools to the County at no charge. The Bank will also provide the Treasurer's Office an opportunity to physically work with this technology before the application is selected. If selected as the depository for the County, the Bank will also provide training either in person via phone.
3.5 Stop Payments	X-FBT would recommend online stop payments going forward but will handle in branch	Yes- Stop pay orders can be initiated base on written instructions faxed from the County, or in person at any banking center. The County can also initiate a stop payment online and will receive a confirmation. If the stop payment is a check, the stop is valid for 6 months. If the Stop Payment if for an ACH item, the it valid for 14 days unless we receive a revocation letter, which can also be faxed, then the stop payment will remain in effect for 6 months. The cut-off time for stop payments is 4:00 PM.

Depository Bank Evaluation 2021

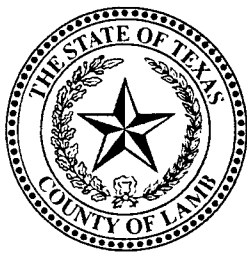
Bank Name	First Bank & Trust	First United Bank
Contractual Requirements		
3.6 Disbursement Services	X-FBT will meet with County to assess any changes to process and make recommendations	Yes-First United Bank will pay all County checks upon presentation at no charge.
3.7 Deposit Services	X	Yes-The County will receive immediate credit on all deposits. Availability Schedule is behind tab #10. The Bank offers Remote Deposit, which will allow the County to send deposits to the bank electronically rather than physically. The County would access a secure website, scan and balance the file, and then the file must be released and transmitted. The cut-off time for the same-day ledger credit is 4:30 P.M. Additional equipment requirements are listed on the product information sheet behind tab #12.
3.8 Cash Overdrafts	X-Pat Demel will be responsible for monitoring overdrafts	Yes-All County checks will be paid without charge upon presentation except in the event checks are insufficient. First United Bank will work with the County in any way possible during the unlikely event that an overdraft occurs. First United Bank charge \$25.00 per insufficient item and 18% on all overdrawn accounts and the accounts are not aggregated for the calculation. *
3.9 Payroll Direct Deposit	X-ACH process will not change from existing process	Yes- see comment on page 11 Yes-At the County's request, the bank does have the ability to restrict outgoing ACH and wire transfer debits.
3.10 ACH and Wire Transactions	X-FBT will continue to handle these as requested	Yes-First United Bank will provide this service at no charge, however if another bank is used as a paying agent, we will request reimbursement for these services.
3.11 Security and Safekeeping	X-Will be secured by FHLB Letter of Credit as previously stated.	Yes-First United Bank will provide the County a competitive interest rate on investments depending on the term of the certificate of deposit. Demand accounts will also be interest bearing with no service charges. *
3.12 Interest and Interest Rate	FBT will pay interest bearing rates of 11 Basis Points over 91 Day T Bill with Floor of .050%	Yes-First United Bank will provide interest bearing checking accounts to the County at no charge. See the Services Worksheet for rates.
3.13 Interest-Bearing Accounts	X	
3.14 Cash Management	X-FBT has full service Cash Management Team that will meet with Count for recommendations as needed.	Yes-See comments on page 13.
3.15 Expense Allowance	X-Please see Section 4.5	First United Bank will give the County an allowance up to \$1,000.00 on the first order of checks for their various accounts. The Bank will also supply bank bags to the County at no charge.
3.16 Short-term Financing	X-Loan rates will be discussed on as needed basis with Pat Demel or other Loan Officer of FBT	Yes-See page 13
3.17 Other Services	X-see page 14 and Exhibit B & C	Yes-see page 14

Depository Bank Evaluation 2021

Bank Name	First Bank & Trust	First United Bank
Contractual Requirements		
3.18 Other Unspecified Services and/or Cost	Current Relationship is a "No Charge" Bid. Any new services will be discussed at time of request for additional cost.	
4.1 Interest Bearing Checking Accounts		
variable	11 Basis Points ABOVE the 3 Month Treasury-Bill or a floor rate of .50% which ever is higher. See Exhibit A	Greater of 13-Week T-Bill or Bank Stated Rate. See comments on page 14. *
fixed	N/A	N/A
4.2 Money Market Accounts		
variable	See Exhibit A	see page 14
fixed		
4.3 Certificates of Deposits-Variable Interest Rate		
maturity 7-29 days	See Exhibit A	see comments
maturity 30-59 days		
maturity 60-89 days		
maturity 90-179 days		
maturity 180-1 year		
1 year		
4.4 Certificates of Deposits-Fixed Interest Rate		
maturity 7-29 days	see Exhibit A	see comments
maturity 30-59 days		
maturity 60-89 days		
maturity 90-179 days		
maturity 180-less than a year		
maturity one year		
18 month		
100,000-999,999		
maturity 7-29 days	see Exhibit A	see comments
maturity 30-59 days		
maturity 60-89 days		
maturity 90-179 days		
maturity 180-1 year		
maturity one year		
18 month		

Depository Bank Evaluation 2021

Bank Name	First Bank & Trust	First United Bank
Contractual Requirements		
1,000,000+		
maturity 7-29 days	see Exhibit A	see comments
maturity 30-59 days		
maturity 60-89 days		
maturity 90-179 days		
maturity 180-1 year		
maturity one year		
18 month		
4.5 Services Provided:(Indicate whether there will be a charge and, if so, the cost per unit.		
1. Monthly Account Analysis	No	No
2. Wire transfer: Incoming	No	No
Outgoing	No	Yes-\$15.00
3. ACH Debits/Credits	No	No
4. In-House Acct. Transfers:	No	No
5. Account Maintenance	No	No
6. Deposits	No	No
7.Items Deposited	No	No
8. Coin	No	No
9. Currency	No	No
10. Returned Items	No	No
11. Checks Paid	No	No
12. Excess Collateral Charges	No	No
13. Pledge/Releases	No	No
14. Charges for supplies, if any:		
Deposit slips	No	Yes-Bank Cost *
Laser check stock	Yes-Bank Cost	Yes-Bank Cost
Printed check books	Yes-Bank Cost	Yes-Bank Cost
Locked or secure bags	No	No
Check images on CD	Images Online	N/A
Endorsement Stamps	no	Yes-Bank Cost
15. Positive Pay	No	No
16. Are there any additional charges for the requested collection, disbursement, investment etc...	Response is a "No Fee" Bid for current services	N/A



Jerry Yarbrough
Lamb County Treasurer

100 6th Drive RM B4
Littlefield, Texas 79339
806-385-4222 Ext. 204

TO: ALL LAMB COUNTY BANKS

SUBJECT: APPLICATION FOR LAMB COUNTY DEPOSITORY CONTRACT
June 1, 2021 – May 31, 2025

Lamb County Commissioners' Court is accepting bids for a four-year depository contract in accordance with the provisions of Chapters 116 and 117 of the Texas Local Government Code, as amended, and other statutes and codes that pertain to county depositories, certain trust funds and court registry funds held in trust by the county.

Your bid should be accompanied by a check for not less than one-half of one percent of the County's revenue for FY 2020 and one-half percent of the Registry/Trust/Other funds held by the County and District Clerks during the preceding fiscal year, or **\$83,014.99**. The checks of unsuccessful bidders will be returned immediately, and the check of the successful bidder will be returned after the depository has filed the surety bond or pledged securities as required by law.

Your bid should be properly signed and submitted no later than 10 a.m. on Wednesday, March 31, 2021, in an envelope clearly marked "County Depository Bid".

Your participation is appreciated and be assured that we will answer any questions you might have concerning Lamb County finances.

If any applicant has questions, please do not hesitate to contact Jerry Yarbrough, Lamb County Treasurer at 806-385-4222 ext. 204.

INSTRUCTIONS TO APPLYING BANKS

APPLICATION TITLE..... County Depository Bid
APPLICATION DUE DATE Wednesday, March 31, 2021, 10:00 a.m.
APPLICATION OPENING DATE Wednesday, March 31, 2021, 10:15 a.m.
APPLICATION AWARD DATE Monday, April 5, 2021, 10:00 a.m.
MARK ENVELOPE “County Depository Bid”
CONTACT PERSON Jerry Yarbrough,
Lamb County Treasurer
806-385-4222 ext. 204
jyarbrough@co.lamb.tx.us

APPLICATION CONTENTS. Your application should contain both an original and a copy. The original should be clearly marked “ORIGINAL” and contain all original signatures.

1. One ORIGINAL, clearly labeled with original signatures, and two COPIES.
2. List of references of current Public Fund users.
3. Bank’s last three (3) Call Reports.
4. Bank’s Audited Financial Report for past 2 years.
5. Bank’s last three (3) quarterly Uniform Bank Performance reports.
6. Certified Check or Cashier’s Check as a guarantee of good faith for amount specified.
7. A sample of a monthly Collateral Report.
8. Sample account analysis report.
9. Sample bank statement.
10. Copy of Bank’s Availability Schedule.
11. Certified and Attested Resolution from a duly authorized meeting of the Board of Directors empowering signer to execute this contract.
12. A response to every section and subsection in the application and worksheet. **Done**
13. Attachment indicating other services and charges not specified. **N/A**

Application Contents 1 through 11 are behind the corresponding tab numbers.

GENERAL SPECIFICATIONS

1.1 DELIVERY INSTRUCTIONS - Applications must be delivered to the County Judge of Lamb County, Texas, 100 6th Drive, RM 101, Littlefield, Texas, 79339, by the date and time specified on the previous page. They should be presented in a sealed envelope labeled "County Depository Bid."

1.2 LATE APPLICATIONS - Late applications will be returned to the applying bank unopened. Lamb County will not be responsible for unmarked, improperly marked applications, or applications delivered to the wrong location.

1.3 WITHDRAWAL AND ALTERING APPLICATION - Applications may be withdrawn at any time prior to public opening. Alterations made before opening time must be initialed by the applying bank to guarantee authenticity. After the official opening, applications may not be amended, altered, or withdrawn without the recommendation of the County Treasurer and the approval of the Lamb County Commissioners' Court. All applications become the property of Lamb County and are subject to the Open Records Act.

1.4 NON-CONFORMING OR INCOMPLETE APPLICATIONS - Non-conforming or incomplete applications will be rejected. It will be the responsibility of the Applying Bank to conform to the specifications unless deviations are clearly cited and noted upon acceptance.

1.5 PUBLIC OPENING - Public opening of the bids will be held in the Commissioners' Courtroom, 100 6th Drive, Littlefield, Texas, 79339, at the date and time specified on the previous page.

1.6 CONTRACT AWARD - The County will contract with a bank, or more than one bank for a four-year term. The application must be submitted using the worksheets in the specifications. The Contract Award will be made during Commissioner's Court on April 5, 2021.

The Commissioners' Court of Lamb County reserves the right to reject in part or in whole any or all bids, waive minor technicalities, and award the bid that best serves the interest of Lamb County.

1.7 SCOPE OF CONTRACT - It is the intent of Lamb County to execute a contract with a bank wanting to be designated as the County Depository Bank from 6/1/2021 through 5/31/2025. The Contract will include deposits of Lamb County Public Monies, including but not limited to direct deposits from state agencies, the funds held by the County Clerk, the registry funds held by the District Clerk and County Clerk, the funds held by the Sheriff's department, and the funds collected by the County Tax Assessor-Collector.

Once the main depository bank for County business is selected, the Commissioner's Court has the option to request applications for sub-depositories, to better serve those fee offices in towns not located near the main depository.

1.8 RESPONSE REQUIRED FOR EACH SECTION/SUBSECTION – Each section and subsection require a response from depository applicants. Applicants must format responses in the same sequence as presented in the worksheet. Where appropriate, responses may consist of phrases such as “understood”, “agreed”, “no exception”, or “not applicable”.

1.9 MINOR EXCEPTIONS – Minor exceptions, conditions, or qualifications to the provisions of the County's specifications must be clearly identified as such and the reasons stated in explanation.

1.10 EVALUATION CRITERIA - Lamb County will award the depository bank contract based on, but not limited to, the following criteria:

- 1) Bank's past and current financial position
- 2) Bank's ability to pledge adequate securities to secure County funds
- 3) Bank's experience in providing the depository services requested
- 4) Net rate of return on County funds.
- 5) Ability to meet service requirements.
- 6) Cost of services.
- 7) Security of County personnel in conducting banking activities.
- 8) Cash management products available that will enhance the County's banking procedures.

CONTRACTUAL REQUIREMENTS

2.1 BANK AFFILIATION – An applying bank must be a Federal or Texas chartered bank doing business in and having a full-service facility within Lamb County, Texas. Banks who operate under the State of Texas bank charter may submit an Application without membership in the Federal Reserve System. State chartered banks **MUST** be able to perform ALL services required by this Request for Application. Any bank submitting an application must be a member of the Federal Depository Insurance Corporation.

Understood: Yes

Comment: **First United Bank is a Texas State Chartered Bank, with a full-service facility in Lamb County. First United Bank is also a member of the Federal Depository Insurance Corporation.**

2.2 COMPLIANCE WITH THE STATUTES

By returning the Application Worksheet, bank acknowledges that it understands and will comply with the Texas Local Government Code, Chapter 116 “Depositories for County Public Funds” and Chapter 117 “Depositories for Certain Trust Funds and Court Registry Funds” (hereafter referred to as “the Code”) that pertain to the managing and safekeeping of County funds, including but not limited to those specified.

Understood: **Yes**

Comment: _____

2.3 DURATION OF CONTRACT - The bank contract will be effective for period of four (4) years. On expiration of a contract under Code 116.021, the contract may be renewed for two (2) more years under terms negotiated by the Commissioners’ Court.

If a timed deposit maturity extends beyond the expiration date of the contract, the depository bank will pledge sufficient securities required for public funds to Lamb County to provide for the maturity of the time deposit.

The depository bank will allow a 60-day extension of contract terms in the event that the County must transition to a new bank at the end of the contract period.

Understood: **Yes**

Comment: **First United Bank will pledge sufficient securities required for public funds of Lamb County as long as Lamb County has funds on deposit.**

2.4 RENEGOTIATIONS – Code Sec. 116.021(b) specifies that “If the contract is for a four-year term, the contract shall allow the county to establish, on the basis of negotiations with the bank, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract.” At the end of the contract, the county may renew for another two years, with renegotiation of rates and financial terms (Code Sec. 116.021(c)). The County will also allow the bank to initiate negotiations at the above-mentioned legally specified times.

Understood: **Yes**

Comment: **At the County’s request, Frist United Bank will renegotiate rates and terms at the end of the four-year term. The Bank is also willing to extend the contract for an additional two years at the County’s request.**

2.5 SUBMITTING FINANCIAL STATEMENTS - All banks wishing to be designated as the depository bank must include as part of their application:

- The Bank’s last three (3) Call Reports.
- The Bank’s Annual Financial Reports (audited) for the past 2 years.

The successful applicant shall continue to furnish to the County Treasurer updated issues of (a) each quarterly call report and (b) annual financial reports, during the term of the depository contract.

Understood: **Yes**

Comment: **The most recent three Call Reports, June 30, 2020, September 30, 2020 and December 31, 2020 (Tab #3) and Financial Statements for the years ended September 30, 2019 and September 30, 2020 (Tab #4) are included in this package. We are happy to furnish the County Treasurer updated call reports and annual financial reports upon the County’s request.**

2.6 REFERENCES – All banks wishing to be designated as the depository bank must include with their application a list of references of current public fund users that utilize cash management products similar to those requested in the application.

Public Fund Clients	Contact/Title	Phone Number	Length of Contract
Dawson County	Terri Stahl, County Treasurer	806-872-7474	Long Term 30 + years
Sudan ISD	Scott Harrell, Superintendent	806-227-2431	Inception of School
Seminole ISD	Jay Lashaway, Business Manager	432-758-3662	July 2001

2.7 GOOD FAITH GUARANTEE - Bank desiring to be the depository bank must submit with the application a certified check or a cashier’s check in the amount of \$83,014.99, (one-half percent of the County’s revenue, Code Sec. 116.023, and one-half percent of the registry, trust, or other funds held by the County and District Clerks during the preceding year (Code Sec. 117.021 (c), payable to Lamb County as a guarantee of good faith. The check will be held by the County until the depository bank is selected and the securities have been pledged.

Understood: **Yes**

Comment: **Cashier Check #187384 in the amount of \$83,014.99 is included in this package.**

2.8 PLEDGED COLLATERAL SECURITY -Within fifteen (15) days after the selection of the depository bank by Commissioners’ Court, the selected bank shall qualify as provided by law. The County will accept surety bonds and/or a Securities Pledge Contract provided for under Texas Local Government Code, Chapter 116, as the method of securing the funds of the County.

To compensate for the increases and decreases in County deposits and the fluctuations in market value of pledged collateral, the minimum market value of collateral will be 105% of combined County deposits. The collateral requirement must be monitored daily by the depository bank personnel. Additions to or deletions from collateral must be approved by the Lamb County Treasurer.

Pledged securities shall be the kind prescribed by law under Chapter 116 of the Code and must be acceptable to Lamb County. The following securities are acceptable to Lamb County:

- US Treasury Notes and Bills
- Government National Mortgage Association Certificates
- Federal Farm Credit Bank Notes and Bonds
- Federal Home Loan Bank Notes and Bonds
- Federal National Mortgage Association Notes and Bonds
- Federal Home Loan Mortgage Corporation Notes and Bonds
- State of Texas Bonds
- Bonds of City, County and Independent School Districts located in Texas rated at to investment quality by a nationally recognized investment rating firm not less than A or its equivalent

The bank must be the true and legal owner of all securities pledged to the County. The securities must be free and clear of all liens, claims, and not pledged for any other purpose. The County will not accept any security acquired by the bank under a repurchase agreement. The securities will be deposited with a Third-Party Bank or Federal Reserve Bank without expense to the County under an appropriate contract to be drawn to the provisions of Chapter 116 of the Code and amendments in accordance with the application, if approved.

Understood: Yes

Comment: **First United Bank agrees with the pledging requirements and will secure all deposits exceeding FDIC insurance coverage with approved securities. First United Bank has an adequate inventory of securities for pledging purposes. A report of all securities pledged will be mailed to the County by the 10th of each month.**

2.9 LIQUIDATED DAMAGES - As stated in Code Sec. 116.023: "If a bank is selected as a depository and does not provide the bond and/or security, the County shall retain the amount of the check as liquidated damages." A new depository shall then be selected.

Understood: Yes

Comment: _____

2.10 COLLATERAL MANAGEMENT – The depository bank must include, as part of the application, a statement as to how the bank intends to ensure, on a daily basis, that sufficient

collateral is pledged to protect covered accounts.

Understood: Yes

Comment: **First United Bank will review the County's account balances by EIN number daily to ensure there is sufficient collateral pledged to protect covered accounts.**

2.11 VALUE OF COLLATERAL – The depository bank must propose how it will value pledged securities. The County may at any time investigate the value of any of the securities that may be pledged by the bank. The full cooperation of the bank will be required in such instance.

Understood: Yes

Comment: **First United Bank uses an independent third-party that provides market values for any pledged securities. The market values are updated monthly.**

2.12 INVESTMENTS MADE OUTSIDE DEPOSITORY BANK – Lamb County reserves the right to make external investments according to the laws of the State of Texas and the Investment Policy of Lamb County.

Understood: Yes

Comment: **First United Bank understands that the County reserves the right to make external investments.**

2.13 TRANSITION PERIOD AT END OF CONTRACT - Bank will provide a 60-day transition period at the end of the contract to allow for smooth transition and closing of accounts and to maintain pledged investments against any balances still deposited with the Bank.

Understood: Yes

Comment: **First United Bank will pledge sufficient securities required for public funds of Lamb County as long as Lamb County has funds on deposit.**

SERVICES PROVIDED

3.1 REPORTS

1. A detailed monthly collateral report is required. The report shall contain security descriptions, par value/current face and current market value.
A report of all securities pledged is mailed to the County by the 10th of each month. A sample report is included in this bid behind tab number 7.
2. A daily combined cash balance report that can be compared with current total collateral report would be helpful. This can be issued by fax, by email, or be available through a cash management package.

The County can view daily account balances through Cash Management. We can also schedule a report to be email to the County if needed. First United Bank will want to verify the security of the data delivered to the delivery point.

3. Monthly account analysis reports will be provided for the combined accounts and for each separate and combined account(s). The account analysis will contain, at a minimum, the following:

- Average daily ledger balance
- Average daily float
- Legal reserve
- Average available balance
- Earnings credit allowance
- Accrued interest
- Service cost
- Service detail by item and cost/item

Understood: N/A

Comment: Lamb County WILL NOT incur any service charges based on any Account Analysis computation(s).

3.2 CONTACT PERSON – The bank shall specify an officer who will be responsible for overseeing the County’s entire relationship, who would serve as the primary contact and who would be able to make decisions regarding operational aspects of this contract.

Name:	Lance Broadhurst, Senior Vice President & Branch Manager
Telephone #:	(806) 385-7181
Fax #:	(806) 385-7367
E-Mail	lbroadhurst@firstunited.net

Name:	Stacey Morris-Potter, Chief Operations Officer
Telephone #:	(806) 797-9960
Fax #:	(806) 795-2250
E-Mail	smpotter@firstunited.net

3.3 STATEMENTS - Monthly account statements will be provided for all accounts, with all corresponding check images (front and back and no more than five (5) checks per page), debit and credits memos, etc. This statement shall show the number of checks, deposit and deposit items posted, daily ledger balances, average daily ledger balance for the month, average daily collected balance for the month and other items on which charges are based. Physical statements shall be provided within five (5) working days after calendar month-end, while access to online banking shall also be provided where statements will be available within two (2) working days after month-end.

The accounts shall be subject to examination by the County Treasurer or the County Auditor at any time during the BANK's business hours.

If online banking does not provide a 2-year "look back" at cancelled check images, the bank shall provide an electronic data file of all check images each month (from Payroll and AP Clearing accounts), in the form of a compact disk, electronic PDF file, or other data format usable by the County. **(A sample bank statement must be included as a part of the application.)**

Understood: Yes

Comment: The Bank can print five checks, front and back, per page but debit and credit memos do not show on the statement until they have been hard posted to the account. The bank statement details the items requested in this bid; a sample statement can be located behind tab #9. Monthly bank statements will be mailed to the County on the first business day of the month, or the County can elect to have eStatements emailed to them on the first business day of the month.

3.4 ON-LINE SERVICES – The depository bank will provide on-line banking and/or other cash management tools to the County for daily reporting of fund balances, managing controlled disbursements, collected and ledger balances, stop payment requests, confirmations, and detailed debits and credits. **Banks should be prepared to provide the Treasurer's office an opportunity to physically work with this technology before the application is selected.**

Understood: Yes

Comment: First United Bank will provide on-line banking and cash management tools to the County at no charge. The Bank will also provide the Treasurer's office an opportunity to physically work with this technology before the application is selected. If selected as the depository for the County, the Bank will also provide training either in person or via phone.

3.5 STOP PAYMENTS - The bank will be required to process stop payments based on written instructions faxed from the County Treasurer or her assignee with follow-up written confirmation, as well as through online banking submissions. Please provide information on services and/or tools that will allow us to issue "stop payments" more efficiently.

Understood: Yes

Comment: Stop pay orders can be initiated based on written instructions faxed from the County, or in person at any banking center. The County can also initiate a stop payment online and will receive a confirmation. If the stop payment is a check, the stop is valid for 6 months. If the Stop Payment is for an ACH item, then it is valid for 14 days unless we receive a revocation letter, which can also be faxed, then the stop payment will remain in effect for 6 months. The cut-off time for stop payments is 4:00 PM.

3.6 DISBURSEMENT SERVICES - Standard disbursing services for all accounts are required to include the payment of all County checks upon presentation, including cashing the checks of vendors or employee paychecks whether or not they have an account with the bank, without charge to the

County, the vendor, or the employee. Please describe any additional disbursement tools that could improve our banking and cash management process.

Understood: **Yes**

Comment: **First United Bank will pay all County checks upon presentation at no charge.**

3.7 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. Please describe any services and/or tools that will allow us to more efficiently deposit checks into our accounts from remote locations. **Bank should provide a copy of their Availability Schedule as part of the application.**

Understood: **Yes**

Comment: **The County will receive immediate credit on all deposits. Availability Schedule is behind tab #10. The Bank offers Remote Deposit, which will allow the County to send deposits to the bank electronically rather than physically. The County would access a secure website, scan and balance the file, and then the file must be released and transmitted. The cut-off time for the same-day ledger credit is 4:30 P.M. Additional equipment requirements are listed on the product information sheet behind tab #12.**

3.8 CASH OVERDRAFTS – For the purpose of determining cash overdrafts, the daily cash balance in all County accounts will be added together and if a negative balance occurs, the County's account is considered to be over-drafted. An applicable insufficient funds fee can then be charged if bank so requires.

Understood: **Yes**

Comment: **All County checks will be paid without charge upon presentation except in the event checks are insufficient. First United Bank will work with the County in any way possible during the unlikely event that an overdraft occurs. First United Bank charges \$25.00 per insufficient item and 18% on all overdrawn accounts and the accounts are not aggregated for the calculation.**

3.9 PAYROLL DIRECT DEPOSIT -- Bank should provide the capability for the County to utilize secure "Direct Deposit" payroll processing, allowing employees to select the bank of their choice. Please describe your direct deposit payroll process.

Understood: **Yes**

Comment: **First United Bank Cash Management application allows the County to provide direct deposit payroll services to their employees either through a direct passthrough file delivered from their payroll system, or individual entries added to the cash management system. Employees will be able to select the bank of their choice in either method.**

3.10 ACH AND WIRE TRANSACTIONS – Bank should provide for acceptance of ACH credits and debits and wire transfers. The bank should have the ability to restrict outgoing ACH debits or wire transfers to only those authorized.

Understood: **Yes**

Comment: **At the County's request, the Bank does have the ability to restrict outgoing ACH and wire transfer debits.**

3.11 SECURITY AND SAFEKEEPING – Bank should provide for book entry/DTC acceptance and safekeeping of investment securities, if needed during the span of this contract. A month-end safekeeping statement including market values will be provided. Indicate cost associated with a security purchase settlement.

Understood: **Yes**

Comment: **First United Bank will provide this service at no charge, however if another bank is used as a paying agent, we will request reimbursement for these services.**

3.12 INTEREST AND INTEREST RATE - Variable interest rate bids and fixed interest rate bids on interest-bearing accounts and certificates of deposit shall be quoted by the bank. Lamb County would like the right to select the rate most favorable to the County any time during the term of the contract, subject to banking laws.

Understood: **Yes**

Comment: **First United Bank will provide the County a competitive interest rate on investments depending on the term of the certificate of deposit. Demand accounts will also be interest bearing with no service charges.**

3.13 INTEREST-BEARING ACCOUNTS - Lamb County has accounts established under these specifications for disbursing checks written on Lamb County funds. Checks and transfers will be written from these accounts. Wire transfers, ACH transfers, internal bank transfers, and deposits will also be made from these accounts.

Understood: **Yes**

Comment: **First United Bank will provide interest bearing checking accounts to the County at no charge. See the Services Worksheet for rates.**

3.14 CASH MANAGEMENT – On an ongoing basis, the County will require cash management advice as to how accounts and procedures can be more efficiently and legally structured. Also, the County will want to be kept informed of recent developments in cash management products. Applying banks are invited to propose additional cash management services that are not specified herein, along with any cost or estimated savings to the County.

Understood: **Yes**

Comment:

First United Bank also offers “Cash Management,” an Online Banking module for their commercial customers. With Cash Management the District will be able to perform all the standard features of Online Banking plus the following features:

- **Pay Bills**
- **Payroll Administration**
- **EFT Tax Payments**
- **ACH Payments and Receipts**
- **Wire Transfer Requests**
- **Order Currency**
- **Stop Payments**

Consultative services concerning the Online Banking and Cash Management module will also be provided to the County at no charge.

3.15 EXPENSE ALLOWANCE – State the dollar amount, if any, that the bank will be willing to provide for expenses incurred due to changing depository banks—e.g., checks, deposit slips, endorsement stamps, locking bank bags, etc.

Comment: **First United Bank will give the County an allowance up to \$1,000.00 on the first order of checks for their various accounts. The Bank will also supply bank bags to the County at no charge.**

3.16 SHORT-TERM FINANCING - The County may require short-term financing during this contract in the form of Time Warrants.

In the event the County has a need for short-term borrowings during the term of this contract, First United Bank will consider such credit, subject to underwriting, as follows:

Fixed	WSJ Prime + .75%	WSJ Prime + .75%
Variable	WSJ Prime + .25%	WSJ Prime + .25%

Understood: **Yes**

Comment: _____

3.17 OTHER SERVICES - Bank will list services and fees, adding any not listed in Sec. 3.21.

Locked or Sealable Bags	No Charge	Standard Deposit Slips	Bank Cost
Laser Check Stock	Bank Cost	Endorsement Stamps	Bank Cost
Check books or binders	No Charge	Coin Wrappers	No Charge
Deposit slips w/ carbonless duplicate	Bank Cost	Currency Straps	No Charge

Understood: Yes

Comment: _____

3.18 OTHER UNSPECIFIED SERVICES AND/OR COSTS – Other services and/or costs not specified in this document should be listed and attached, along with a description and unit pricing.

Comment: _____

SERVICES WORKSHEET FOR BID

4.1 Interest Bearing Checking Accounts:

Account Type / Description	Basis point spread over(+)/under (-) T-Bill “asked” rate
Super NOW Checking Account	Greater of 13-Week T-Bill or Bank Stated Rate

*The 13 Week T-Bill Rate was .03% as of March 1, 2021.

Effective T-Bill rates will re-price on a variable basis and will be adjusted the first Monday of each month.

First United bank will price all checking account with a variable interest rate stated above at no charge.

4.2 Money Market Accounts:

*Variable Rate = 91-Day US T-Bill Effective Rate (as determined by daily T-Bill rate at www.treas.gov or latest T-Bill Auction) + Margin (Based on basis points).

Example: If 91-Day US T-Bill effective rate is .30% on 2/24/19 and basis points are 1.0, the variable rate is 1.30%.

First United Bank will pay the County interest on all Demand accounts at the same rate as the Super NOW Checking Account in the chart above.

4.3 Certificates of Deposits - Variable Interest Rate

91-Day US T-Bill Effective Rate (as determined by www.treas.gov or latest T-Bill Auction)

MATURITY	Basis point spread over(+)/under(-) T-Bill "asked" rate
7 – 29 Days	13-Week T-Bill
30 – 59 Days	13-Week T-Bill
60 – 89 Days	13-Week T-Bill
90 – 179 Days	13-Week T-Bill + .10%
180 – 364 Days	13-Week T-Bill + .10%
365 Days or More	13-Week T-Bill + .25%

*The 13 Week T-Bill Rate was .03% as of March 1, 2021.

Effective T-Bill rates will re-price on a variable basis and will be adjusted the first Monday of each month.

The above interest rates will be paid to the County regardless of the amount of the Certificate of Deposit.

4.4 Certificates of Deposits - Fixed Interest Rate

Comment: Although the rate will be fixed during the term of the Certificate of Deposit, First United Bank will price all of the County's Certificate of Deposits with variable interest rates as stated above.

4.5 Services Provided: (Indicate whether there will be a charge and, if so, the cost per unit)

	<u>Yes</u>	<u>No</u>	<u>Amt/unit</u>
1) Monthly Account Analysis (w/ 40 accts)	_____	<u>X</u>	\$ _____
2) Wire Transfer: Incoming	_____	<u>X</u>	\$ _____
Outgoing	<u>X</u>	_____	<u>\$15.00</u>
3) ACH Debits/Credits	_____	<u>X</u>	\$ _____
4) In-House Acct. Transfers:	_____	<u>X</u>	\$ _____
5) Account Maintenance (38 checking accts):	_____	<u>X</u>	\$ _____
6) Deposits	_____	<u>X</u>	\$ _____
7) Items deposited	_____	<u>X</u>	\$ _____
8) Coin	_____	<u>X</u>	\$ _____
9) Currency	_____	<u>X</u>	\$ _____
10) Returned Items	_____	<u>X</u>	\$ _____

11) Checks Paid	_____	<u>X</u>	\$ _____
12) Excess Collateral Charges	_____	<u>X</u>	\$ _____
13) Pledge/Releases	_____	<u>X</u>	\$ _____
14) Charges for supplies, if any:			
Deposit slips	<u>X</u>	_____	\$ <u>Bank Cost</u>
Laser check stock	<u>X</u>	_____	\$ <u>Bank Cost</u>
Printed check books	<u>X</u>	_____	\$ <u>Bank Cost</u>
Locked or Secure bags	_____	<u>X</u>	\$ _____
Check images on CD	_____	_____	\$ _____
<u>N/A County can elect to have free e-Statements in lieu of a check images on a CD</u>			
Endorsement stamps	<u>X</u>	_____	\$ <u>Bank Cost</u>
15) Positive Pay	_____	<u>X</u>	

16) Are there any additional charges for the requested collection, disbursement, investment, or miscellaneous services or supplies not previously covered? If so, please describe and show the fee per unit. N/A

Service:

Fee/Unit:

DEPOSITORY BANK BID VALIDATION

Bank must complete the information below to validate the Application for Depository Bank of Lamb County.

The undersigned affirms that they are fully authorized to execute this contract by providing Lamb county with a Certified and Attested Resolution from a duly authorized meeting of the Board of Directors of the submitting bank authorizing or empowering the undersigned to execute this contract; that this bank has not prepared this Application in collusion with any other bank; and that the contents of this Application as to fees, interest rates, terms, or conditions of said Application have not been communicated by the undersigned, nor by any employee or agent, to any other bank making Application or to any other persons engaged in this type of business prior to the official opening of this Application.

All Unsigned Applications will be Disqualified

Name and address of Bank

First United Bank
2003 South Hall Avenue
Littlefield, Texas 79339

Signature: 

Name: **Lance Broadhurst**

Title: **Senior Vice President**

Telephone No: **806-385-7181**

Email: lbroadhurst@firstunited.net

Signature: 

Name: **Stacey Morris-Potter**

Title: **Chief Operations Officer**

Telephone No: **806-797-9960**

Email: smpotter@firstunited.net

REFERENCES

List two (2) references for whom the applying bank has supplied similar services and supplies. Please include phone number and name of contact person. Other governmental entities are preferred.

Business	Contact Person	Phone #
<u>See 2.6 References above</u>	_____	_____
_____	_____	_____

CAPITAL REQUIREMENTS

The paid-up capital stock of the Bank is **\$1,500,000.00**, and the permanent surplus of the Bank is **\$166,511,665.60**. A certified cashier's check for \$83,014.99 (One-half of 1% of FY 2020 revenues of Lamb County and one-half of 1% of FYE 2020 registry account balance) made payable to Lamb County accompanies this bid and is tendered under the terms of the law (Local Government Code, Section 116.023 (b) and Section 117.021 (c)) and these specifications.

Lance Broadhurst is hereby authorized to receipt for said check upon return.

First United Bank
(Bidding Bank)

By: *Stacey Morris Patten*
Co

The following is to be signed when check is returned to bidding Bank:

Received certified cashiers' check for **\$83,014.99** for **First United Bank**.
(Bank)

Date: _____

By: _____



BID PROPOSAL

LAMB COUNTY BANK DEPOSITORY CONTRACT

TERM: 4 YEARS

BEGINNING: June 1, 2021

ENDING: May 31, 2025



P.O. Box 510
1810 Hall Ave.
Littlefield, Texas 79339

March 29, 2021

James M. DeLoach, Lamb County Judge

Lamb County Commissioner's Court

100 6th Drive, Rm101

Littlefield, Texas 79339

Dear Honorable Judge James M. DeLoach

FirstBank & Trust is pleased to offer our services for the depository relationship for Lamb County.

The bank will pledge securities and/or a FHLB letter of credit for total deposits.

The bank will provide the County with competitive rates in our NOW accounts, MM/Savings accounts and Certificates of Deposit. Our rates will provide the County with flexibility because we will have a minimum rate of .50% on all the County demand deposits.

Our employees understand the importance of superior customer service and the County will receive our utmost attention to all of your banking needs.

We are offering our bank services at virtually no cost to the County other than the cost of the checks.

The bank will offer ACH originations, wire transfers, Positive Pay and online banking services free of charge.

The officers of FirstBank & Trust have a combined level of service exceeding 50 years in banking in Lamb County. Pat Demel will be the primary contact with Elsa Rendon as the secondary contact. Of course, any of the FirstBank & Trust Littlefield staff can help you if Pat or Elsa were unavailable, including Jessica Longoria and Rene Nevarez.

FirstBank & Trust is pleased to have the opportunity to serve the citizens in Lamb County by offering our services for Lamb County.

A handwritten signature in black ink, appearing to read "Pat Demel".


Pat Demel

SVP/ Commercial Banker

RESOLUTION

BE IT RESOLVED: FirstBank & Trust, Lubbock, Texas empowers Pat Demel, Commercial Banker II, SVP, to negotiate and execute a depository bid contract between FirstBank & Trust and Lamb County for the term beginning June 1, 2021 and ending May 31, 2025.

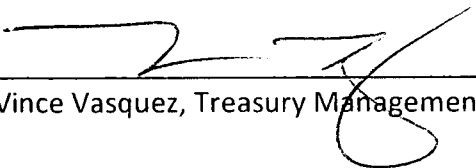
Signed:



Greg Garland, CEO

3/29/21
Date

Attested:



Vince Vasquez, Treasury Management Officer, SVP

3/29/21
Date



Remitter(s): FIRST BANK AND TRUST

1011108020

DATE: March 29, 2021

PAY TO THE
ORDER OF LAMB COUNTY

\$83,014.99

Eighty Three Thousand Fourteen Dollars and Ninety Nine Cents

CUSTOMER COPY

NON-NEGOTIABLE

THIS DOCUMENT CONTAINS A TRUE WATERMARK. HOLD TO LIGHT TO VIEW.

Notice To Customer

The purchase of an indemnity bond may be required before any cashier's check of this bank will be replaced in the event it is lost, misplaced, or stolen.



1011108020

DATE: March 29, 2021

90-4327
1211

Remitter(s): FIRST BANK AND TRUST

PAY TO THE LAMB COUNTY
ORDER OF

\$83,014.99

Eighty Three Thousand Fourteen Dollars and Ninety Nine Cents

AUTHORIZED SIGNATURE

CASHIER'S CHECK



|| [REDACTED] || [REDACTED] || [REDACTED]

Customer Evidence Included

EXHIBIT A
LAMB COUNTY
DEPOSITORY BID RATE SHEET

INTEREST BEARING CHECKING ACCOUNTS:

Bidder will pay interest on ALL funds of the District placed in interest-bearing checking accounts as follows:

11 Basis Points ABOVE the 3 Month Treasury-Bill computed on the first weekly auction of each month.

The 3 Month Treasury-Bill as of March 26, 2021 is 0.02 %.

Therefore, the rate paid this date would be:

0.02 % + 11 totals 0.13 %

However, bidder will pay a floor rate of: 0.50 %

TIME DEPOSITS:

Bidder offers Certificates of Deposits with terms of 3 months to 84 months. The County may move funds at any time into a Certificate of Deposit or Certificates of Deposits earning the current posted rate.

Bidder offers special rates on Certificates of Deposits from time to time, and the County may participate in those special promotions.

EXHIBIT B
LAMB COUNTY
OTHER SPECIFIC CHARGES

FirstBank & Trust will assist County in ordering the quantity, quality, and type of check, deposit slips, covers, binders, locking deposit bags, and endorsement stamps necessary for all the County's use during the period for which this bid is submitted at FirstBank & Trust cost.

EXHIBIT C
LAMB COUNTY
UNSPECIFIED SERVICES AN/OR COSTS

Safe Deposit Box

FirstBank & Trust will provide the County one safe deposit box at no charge.

Coin Counting

Loose coin counting will be provided to the County at no charge.

Remote Deposit

Remote Deposit is available to the County. Because this would require secure transmission of data, there may be fees to the County for equipment and technology compliance. FirstBank & Trust will assist with setup or County may use a third-party vendor.

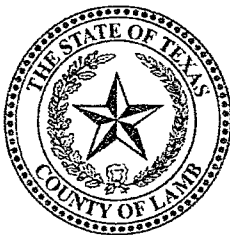
Fees would be determined upon the specific request of the County.

Treasury Management Services

FirstBank & Trust offers a comprehensive purchasing card suite of products, technology, and services. This consolidated program provides flexibility, easier program management, online reconciliation, and competitive rebate. Our team will help the County develop or find tune your strategic payables plan to maximize return and automation. Some of the benefits our commercial card program includes:

- Control – Custom restricts at the card level like monthly credit limits, merchant category code restrictions, per transaction limits, number of transactions, etc.
- Fraud Protection – 60 day from statement date for disputes. \$100,000 per card protection from employee misuse.
- Online Management System – We have two online platforms that can be used to manage the program and custom fit to your needs.
- Working Capital – Payments are due the 27th calendar day following statement end. Example: If you make a purchase on May 1st, the payment will be due June 27th.
- No Annual/Monthly Fees – We do offer additional features and functionality to our program that can be discussed as needed.
- Rebate – We offer cash back rebates beginning at 100 basis points.

We are excited to receive the chance to earn your commercial card business and look forward to meeting with you to discuss the opportunity.



Jerry Yarbrough
Lamb County Treasurer

100 6th Drive RM B4
Littlefield, Texas 79339
806-385-4222 Ext. 204

TO: ALL LAMB COUNTY BANKS

SUBJECT: APPLICATION FOR LAMB COUNTY DEPOSITORY CONTRACT
June 1, 2021 – May 31, 2025

Lamb County Commissioners' Court is accepting bids for a four-year depository contract in accordance with the provisions of Chapters 116 and 117 of the Texas Local Government Code, as amended, and other statutes and codes that pertain to county depositories, certain trust funds and court registry funds held in trust by the county.

Your bid should be accompanied by a check for not less than one-half of one percent of the County's revenue for FY 2020 and one-half percent of the Registry/Trust/Other funds held by the County and District Clerks during the preceding fiscal year, or **\$83,014.99**. The checks of unsuccessful bidders will be returned immediately, and the check of the successful bidder will be returned after the depository has filed the surety bond or pledged securities as required by law.

Your bid should be properly signed and submitted no later than 10 a.m. on Wednesday, March 31, 2021, in an envelope clearly marked "County Depository Bid".

Your participation is appreciated and be assured that we will answer any questions you might have concerning Lamb County finances.

If any applicant has questions, please do not hesitate to contact Jerry Yarbrough, Lamb County Treasurer at 806-385-4222 ext. 204.

INSTRUCTIONS TO APPLYING BANKS

APPLICATION TITLE..... County Depository Bid
APPLICATION DUE DATE Wednesday, March 31, 2021, 10:00 a.m.
APPLICATION OPENING DATE Wednesday, March 31, 2021, 10:15 a.m.
APPLICATION AWARD DATE Monday, April 5, 2021, 10:00 a.m.
MARK ENVELOPE “County Depository Bid”
CONTACT PERSON Jerry Yarbrough,
Lamb County Treasurer
806-385-4222 ext. 204
jyarbrough@co.lamb.tx.us

APPLICATION CONTENTS. Your application should contain both an original and a copy. The original should be clearly marked “ORIGINAL” and contain all original signatures.

1. One ORIGINAL, clearly labeled with original signatures, and two COPIES.
2. List of references of current Public Fund users.
3. Bank’s last three (3) Call Reports.
4. Bank’s Audited Financial Report for past 2 years.
5. Bank’s last three (3) quarterly Uniform Bank Performance reports.
6. Certified Check or Cashier’s Check as a guarantee of good faith for amount specified.
7. A sample of a monthly Collateral Report.
8. Sample account analysis report.
9. Sample bank statement.
10. Copy of Bank’s Availability Schedule.
11. Certified and Attested Resolution from a duly authorized meeting of the Board of Directors empowering signer to execute this contract.
12. A response to every section and subsection in the application and worksheet.
13. Attachment indicating other services and charges not specified.

GENERAL SPECIFICATIONS

1.1 DELIVERY INSTRUCTIONS - Applications must be delivered to the County Judge of Lamb County, Texas, 100 6th Drive, RM 101, Littlefield, Texas, 79339, by the date and time specified on the previous page. They should be presented in a sealed envelope labeled “County Depository Bid.”

1.2 LATE APPLICATIONS - Late applications will be returned to the applying bank unopened. Lamb County will not be responsible for unmarked, improperly marked applications, or applications delivered to the wrong location.

1.3 WITHDRAWAL AND ALTERING APPLICATION - Applications may be withdrawn at any time prior to public opening. Alterations made before opening time must be initialed by the applying bank to guarantee authenticity. After the official opening, applications may not be amended, altered, or withdrawn without the recommendation of the County Treasurer and the approval of the Lamb County Commissioners’ Court. All applications become the property of Lamb County and are subject to the Open Records Act.

1.4 NON-CONFORMING OR INCOMPLETE APPLICATIONS - Non-conforming or incomplete applications will be rejected. It will be the responsibility of the Applying Bank to conform to the specifications unless deviations are clearly cited and noted upon acceptance.

1.5 PUBLIC OPENING - Public opening of the bids will be held in the Commissioners’ Courtroom, 100 6th Drive, Littlefield, Texas, 79339, at the date and time specified on the previous page.

1.6 CONTRACT AWARD - The County will contract with a bank, or more than one bank for a four-year term. The application must be submitted using the worksheets in the specifications. The Contract Award will be made during Commissioner’s Court on April 5, 2021.

The Commissioners’ Court of Lamb County reserves the right to reject in part or in whole any or all bids, waive minor technicalities, and award the bid that best serves the interest of Lamb County.

1.7 SCOPE OF CONTRACT - It is the intent of Lamb County to execute a contract with a bank wanting to be designated as the County Depository Bank from 6/1/2021 through 5/31/2025. The Contract will include deposits of Lamb County Public Monies, including but not limited to direct deposits from state agencies, the funds held by the County Clerk, the registry funds held by the District Clerk and County Clerk, the funds held by the Sheriff’s department, and the funds collected by the County Tax Assessor-Collector.

Once the main depository bank for County business is selected, the Commissioner's Court has the option to request applications for sub-depositories, to better serve those fee offices in towns not located near the main depository.

1.8 RESPONSE REQUIRED FOR EACH SECTION/SUBSECTION – Each section and subsection require a response from depository applicants. Applicants must format responses in the same sequence as presented in the worksheet. Where appropriate, responses may consist of phrases such as “understood”, “agreed”, “no exception”, or “not applicable”.

1.9 MINOR EXCEPTIONS – Minor exceptions, conditions, or qualifications to the provisions of the County's specifications must be clearly identified as such and the reasons stated in explanation.

1.10 EVALUATION CRITERIA - Lamb County will award the depository bank contract based on, but not limited to, the following criteria:

- 1) Bank's past and current financial position
- 2) Bank's ability to pledge adequate securities to secure County funds
- 3) Bank's experience in providing the depository services requested
- 4) Net rate of return on County funds.
- 5) Ability to meet service requirements.
- 6) Cost of services.
- 7) Security of County personnel in conducting banking activities.
- 8) Cash management products available that will enhance the County's banking procedures.

CONTRACTUAL REQUIREMENTS

2.1 BANK AFFILIATION – An applying bank must be a Federal or Texas chartered bank doing business in and having a full-service facility within Lamb County, Texas. Banks who operate under the State of Texas bank charter may submit an Application without membership in the Federal Reserve System. State chartered banks **MUST** be able to perform **ALL** services required by this Request for Application. Any bank submitting an application must be a member of the Federal Depository Insurance Corporation.

Understood: ✓
Comment Member FDIC

2.2 COMPLIANCE WITH THE STATUTES

By returning the Application Worksheet, bank acknowledges that it understands and will comply with the Texas Local Government Code, Chapter 116 "Depositories for County Public Funds" and Chapter 117 "Depositories for Certain Trust Funds and Court Registry Funds" (hereafter referred to as "the Code") that pertain to the managing and safekeeping of County funds, including but not limited to those specified.

Understood: ✓

Comment: Counties deposits will be secure with a FHLB Letter of Credit.

2.3 DURATION OF CONTRACT - The bank contract will be effective for period of four (4) years. On expiration of a contract under Code 116.021, the contract may be renewed for two (2) more years under terms negotiated by the Commissioners' Court.

If a timed deposit maturity extends beyond the expiration date of the contract, the depository bank will pledge sufficient securities required for public funds to Lamb County to provide for the maturity of the time deposit.

The depository bank will allow a 60-day extension of contract terms in the event that the County must transition to a new bank at the end of the contract period.

Understood: ✓

Comment: _____

2.4 RENEGOTIATIONS – Code Sec. 116.021(b) specifies that "If the contract is for a four-year term, the contract shall allow the county to establish, on the basis of negotiations with the bank, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract." At the end of the contract, the county may renew for another two years, with renegotiation of rates and financial terms (Code Sec. 116.021(c)). The County will also allow the bank to initiate negotiations at the above-mentioned legally specified times.

Understood: ✓

Comment: _____

2.5 SUBMITTING FINANCIAL STATEMENTS - All banks wishing to be designated as the depository bank must include as part of their application:

- The Bank's last three (3) Call Reports.
- The Bank's Annual Financial Reports (audited) for the past 2 years.

The successful applicant shall continue to furnish to the County Treasurer updated issues of (a) each quarterly call report and (b) annual financial reports, during the term of the depository contract.

Understood: ✓

Comment: Hard Copy provided in "Original" bid document however most current located at htlf.com.

2.6 REFERENCES - All banks wishing to be designated as the depository bank must include with their application a list of references of current public fund users that utilize cash management products similar to those requested in the application.

Understood: ✓

Comment: First Bank and Trust manages over \$100 Million of Public Fund deposits currently.

2.7 GOOD FAITH GUARANTEE - Bank desiring to be the depository bank must submit with the application a certified check or a cashier's check in the amount of \$83,014.99, (one-half percent of the County's revenue, Code Sec. 116.023, and one-half percent of the registry, trust, or other funds held by the County and District Clerks during the preceding year (Code Sec. 117.021 (c), payable to Lamb County as a guarantee of good faith. The check will be held by the County until the depository bank is selected and the securities have been pledged.

Understood: ✓

Comment: Cashiers Check # 1011108020 in the Amount of \$83,014.99 is attached

2.8 PLEDGED COLLATERAL SECURITY -Within fifteen (15) days after the selection of the depository bank by Commissioners' Court, the selected bank shall qualify as provided by law. The County will accept surety bonds and/or a Securities Pledge Contract provided for under Texas Local Government Code, Chapter 116, as the method of securing the funds of the County.

To compensate for the increases and decreases in County deposits and the fluctuations in market value of pledged collateral, the minimum market value of collateral will be 105% of combined County deposits. The collateral requirement must be monitored daily by the depository bank personnel. Additions to or deletions from collateral must be approved by the Lamb County Treasurer.

Pledged securities shall be the kind prescribed by law under Chapter 116 of the Code and must be acceptable to Lamb County. The following securities are acceptable to Lamb County:

- US Treasury Notes and Bills
- Government National Mortgage Association Certificates
- Federal Farm Credit Bank Notes and Bonds
- Federal Home Loan Bank Notes and Bonds
- Federal National Mortgage Association Notes and Bonds
- Federal Home Loan Mortgage Corporation Notes and Bonds
- State of Texas Bonds
- Bonds of City, County and Independent School Districts located in Texas rated at to investment quality by a nationally recognized investment rating firm not less than A or its equivalent

The bank must be the true and legal owner of all securities pledged to the County. The securities must be free and clear of all liens, claims, and not pledged for any other purpose. The County will not accept any security acquired by the bank under a repurchase agreement. The securities will be deposited with a Third-Party Bank or Federal Reserve Bank without expense to the County under an appropriate contract to be drawn to the provisions of Chapter 116 of the Code and amendments in accordance with the application, if approved.

Understood: ✓

Comment: Addressed in cover letter

2.9 LIQUIDATED DAMAGES - As stated in Code Sec. 116.023: "If a bank is selected as a depository and does not provide the bond and/or security, the County shall retain the amount of the check as liquidated damages." A new depository shall then be selected.

Understood: ✓
Comment: _____

2.10 COLLATERAL MANAGEMENT – The depository bank must include, as part of the application, a statement as to how the bank intends to ensure, on a daily basis, that sufficient collateral is pledged to protect covered accounts.

Understood: ✓
Comment: Secured by Letter of Credit from FHLB adhering to collateral requirements.

2.11 VALUE OF COLLATERAL – The depository bank must propose how it will value pledged securities. The County may at any time investigate the value of any of the securities that may be pledged by the bank. The full cooperation of the bank will be required in such instance.

Understood: ✓
Comment: FHLB will provide monthly reporting

2.12 INVESTMENTS MADE OUTSIDE DEPOSITORY BANK – Lamb County reserves the right to make external investments according to the laws of the State of Texas and the Investment Policy of Lamb County.

Understood: ✓
Comment: _____

2.13 TRANSITION PERIOD AT END OF CONTRACT - Bank will provide a 60-day transition period at the end of the contract to allow for smooth transition and closing of accounts and to maintain pledged investments against any balances still deposited with the Bank.

Understood: ✓

Comment: _____

SERVICES PROVIDED

3.1 REPORTS

1. A detailed monthly collateral report is required. The report shall contain security descriptions, par value/current face and current market value.
2. A daily combined cash balance report that can be compared with current total collateral report would be helpful. This can be issued by fax, by email, or be available through a cash management package.
3. Monthly account analysis reports will be provided for the combined accounts and for each separate and combined account(s). The account analysis will contain, at a minimum, the following:
 - Average daily ledger balance
 - Average daily float
 - Legal reserve
 - Average available balance
 - Earnings credit allowance
 - Accrued interest
 - Service cost
 - Service detail by item and cost/item

Understood: ✓

Comment: FBT will provide robust online banking platform for balances, etc. This is a no charge bid for currently utilized services.

3.2 CONTACT PERSON – The bank shall specify an officer who will be responsible for overseeing the County’s entire relationship, who would serve as the primary contact and who would be able to make decisions regarding operational aspects of this contract.

Understood: ✓

Comment: Please see cover letter

3.3 STATEMENTS - Monthly account statements will be provided for all accounts, with all corresponding check images (front and back and no more than five (5) checks per page), debit and credits memos, etc. This statement shall show the number of checks, deposit and deposit items posted, daily ledger balances, average daily ledger balance for the month, average daily collected balance for the month and other items on which charges are based. Physical statements shall be provided within five (5) working days after calendar month-end, while access to online banking shall also be provided where statements will be available within two (2) working days after month-end.

The accounts shall be subject to examination by the County Treasurer or the County Auditor at any time during the BANK’s business hours.

If online banking does not provide a 2-year “look back” at cancelled check images, the bank shall provide an electronic data file of all check images each month (from Payroll and AP Clearing accounts), in the form of a compact disk, electronic PDF file, or other data format usable by the County. **(A sample bank statement must be included as a part of the application.)**

Understood: ✓

Comment: Lamb County is an existing bank client and statements will remain as provided

3.4 ON-LINE SERVICES – The depository bank will provide on-line banking and/or other cash management tools to the County for daily reporting of fund balances, managing controlled disbursements, collected and ledger balances, stop payment requests, confirmations, and detailed debits and credits. **Banks should be prepared to provide the Treasurer’s office an opportunity to physically work with this technology before the application is selected.**

Understood: ✓

Comment: FBT is pleased to provide its Commercial Online Banking Platform to the County

3.5 STOP PAYMENTS - The bank will be required to process stop payments based on written instructions faxed from the County Treasurer or her assignee with follow-up written confirmation, as well as through online banking submissions. Please provide information on services and/or tools that will allow us to issue "stop payments" more efficiently.

Understood: ✓

Comment: FBT would recommend online stop payments going forward but will handle in branch

3.6 DISBURSEMENT SERVICES - Standard disbursing services for all accounts are required to include the payment of all County checks upon presentation, including cashing the checks of vendors or employee paychecks whether or not they have an account with the bank, without charge to the County, the vendor, or the employee. Please describe any additional disbursement tools that could improve our banking and cash management process.

Understood: ✓

Comment: FBT will meet with County to assess any changes to process and make recommendations

3.7 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. Please describe any services and/or tools that will allow us to more efficiently deposit checks into our accounts from remote locations. **Bank should provide a copy of their Availability Schedule as part of the application.**

Understood: ✓

Comment: _____

3.8 CASH OVERDRAFTS - For the purpose of determining cash overdrafts, the daily cash balance in all County accounts will be added together and if a negative balance occurs, the County's account is considered to be over-drafted. An applicable insufficient funds fee can then be charged, if bank so requires.

Understood: ✓

Comment: Pat Demel will be responsible for monitoring overdrafts

3.9 PAYROLL DIRECT DEPOSIT -- Bank should provide the capability for the County to utilize secure "Direct Deposit" payroll processing, allowing employees to select the bank of their choice. Please describe your direct deposit payroll process.

Understood: ✓

Comment: ACH process will not change from existing process

3.10 ACH AND WIRE TRANSACTIONS – Bank should provide for acceptance of ACH credits and debits and wire transfers. The bank should have the ability to restrict outgoing ACH debits or wire transfers to only those authorized.

Understood: ✓

Comment: FBT will continue to handle these as requested

3.11 SECURITY AND SAFEKEEPING – Bank should provide for book entry/DTC acceptance and safekeeping of investment securities, if needed during the span of this contract. A month-end safekeeping statement including market values will be provided. Indicate cost associated with a security purchase settlement.

Understood: ✓

Comment: Will be secured by FHLB Letter of Credit as previously stated.

3.12 INTEREST AND INTEREST RATE - Variable interest rate bids and fixed interest rate bids on interest-bearing accounts and certificates of deposit shall be quoted by the bank. Lamb County would like the right to select the rate most favorable to the County any time during the term of the contract, subject to banking laws.

Understood: ✓

Comment: FBT will pay interest bearing rates of 11 Basis Points over 91 Day T Bill with Floor of 0.50%

3.13 INTEREST-BEARING ACCOUNTS - Lamb County has accounts established under these specifications for disbursing checks written on Lamb County funds. Checks and transfers will be written from these accounts. Wire transfers, ACH transfers, internal bank transfers, and deposits will also be made from these accounts.

Understood: ✓

Comment: _____

3.14 CASH MANAGEMENT – On an ongoing basis, the County will require cash management advice as to how accounts and procedures can be more efficiently and legally structured. Also, the County will want to be kept informed of recent developments in cash management products. Applying banks are invited to propose additional cash management services that are not specified herein, along with any cost or estimated savings to the County.

Understood: ✓

Comment: FBT has full service Cash Management Team that will meet with County for recommendations as needed.

3.15 EXPENSE ALLOWANCE – State the dollar amount, if any, that the bank will be willing to provide for expenses incurred due to changing depository banks—e.g., checks, deposit slips, endorsement stamps, locking bank bags, etc.

Understood: ✓

Comment: Please see Section 4.5

3.16 SHORT-TERM FINANCING - The County may require short-term financing during this contract in the form of Time Warrants.

Fixed: Less than 1yr Rate _____ 1-4-yr Rate _____

Variable: Less than 1yr Rate _____ 1-4-yr Rate _____

Understood: ✓

Comment: Loan rates will be discussed on as needed basis with Pat Demel or other Loan Officer of FBT

3.17 OTHER SERVICES - Bank will list services and fees, adding any not listed in Sec. 3.21.

Locked or Sealable Bags	_____	Standard Deposit Slips	_____
Laser Check Stock	_____	Endorsement Stamps	_____
Check books or binders	_____	Coin Wrappers	_____
Deposit slips w/ carbonless duplicate	_____	Currency Straps	_____

Understood: ✓

Comment: Supplies will be provided at bank cost

3.18 OTHER UNSPECIFIED SERVICES AND/OR COSTS – Other services and/or costs not specified in this document should be listed and attached, along with a description and unit pricing.

Comment: Current Relationship is a "No Charge" Bid. Any new services will be discussed at time of request for additional cost.

SERVICES WORKSHEET FOR BID

4.1 Interest Bearing Checking Accounts:

Variable*	Fixed
Interest Margin	Interest Rate
<u>Exh - A</u>	
<u>See Cover Letter</u>	_____

4.2 Money Market Accounts:

<u>Exh - A</u>	
<u>See Cover Letter</u>	_____

*Variable Rate = 91-Day US T-Bill Effective Rate (as determined by daily T-Bill rate at www.treas.gov or latest T-Bill Auction) + Margin (Based on basis points).

Example: If 91-Day US T-Bill effective rate is .30% on 2/24/19 and basis points are 1.0, the variable rate is 1.30%.

4.3 Certificates of Deposits - Variable Interest Rate

91-Day US T-Bill Effective Rate (as determined by www.treas.gov or latest T-Bill Auction)

Exh. A
Please see ~~Cover Letter~~

	Less than \$100,000	\$100,000-999,999	\$1,000,000 +
1. Maturity 7-29 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
2. Maturity 30-59 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
3. Maturity 60-89 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
4. Maturity 90-179 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
5. Maturity 180-1 year	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts

Exh. A
Please see ~~Cover Letter~~

4.4 Certificates of Deposits - 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- less than a year	_____ %	_____ %	_____ %
6. Maturity one year	_____ %	_____ %	_____ %

Exh. A M
Comment: ~~Please see Cover Letter~~

<u>4.5 Services Provided: (Indicate whether there will be a charge and, if so, the cost per unit.)</u>	<u>Yes</u>	<u>No</u>	<u>Amt/unit</u>
1) Monthly Account Analysis (w/ 40 accts)	_____	✓	\$ _____
2) Wire Transfer: Incoming	_____	✓	\$ _____
Outgoing	_____	✓	\$ _____
3) ACH Debits/Credits	_____	✓	\$ _____
4) In-House Acct. Transfers:	_____	✓	\$ _____
5) Account Maintenance (38 checking accts):	_____	✓	\$ _____
6) Deposits	_____	✓	\$ _____
7) Items deposited	_____	✓	\$ _____
8) Coin	_____	✓	\$ _____
9) Currency	_____	✓	\$ _____
10) Returned Items	_____	✓	\$ _____
11) Checks Paid	_____	✓	\$ _____
12) Excess Collateral Charges	_____	✓	\$ _____
13) Pledge/Releases	_____	✓	\$ _____
14) Charges for supplies, if any:			
Deposit slips	_____	✓	\$ _____
Laser check stock	<u>Bank Cost</u>	_____	\$ _____
Printed check books	<u>Bank Cost</u>	_____	\$ _____
Locked or Secure bags	_____	✓	\$ _____
Check images on CD	<u>Images Online</u>	_____	\$ _____
Endorsement stamps	_____	✓	\$ _____
15) Positive Pay	_____	✓	

16) Are there any additional charges for the requested collection, disbursement, investment, or miscellaneous services or supplies not previously covered? If so, please describe and show the fee per unit.

Service:

Fee/Unit:

Response is a "No Fee" Bid for
current services.

DEPOSITORY BANK BID VALIDATION

Bank must complete the information below to validate the Application for Depository Bank of Lamb County.

The undersigned affirms that they are fully authorized to execute this contract by providing Lamb county with a Certified and Attested Resolution from a duly authorized meeting of the Board of Directors of the submitting bank authorizing or empowering the undersigned to execute this contract; that this bank has not prepared this Application in collusion with any other bank; and that the contents of this Application as to fees, interest rates, terms, or conditions of said Application have not been communicated by the undersigned, nor by any employee or agent, to any other bank making Application or to any other persons engaged in this type of business prior to the official opening of this Application.

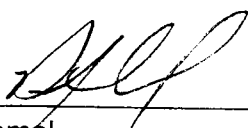
All Unsigned Applications will be Disqualified

Name and address of Bank

FirstBank & Trust Texas

9816 Slide Road

Lubbock, TX 79424

Signature: 

Name: Pat Demel

Title: Commercial Banker II, SVP

Telephone No: (806) 897-4394

Email: pdemel@firstbanktexas.com

REFERENCES

List two (2) references for whom the applying bank has supplied similar services and supplies. Please include phone number and name of contact person. Other governmental entities are preferred.

Business Per Request	Contact Person	Phone #
_____	_____	_____
_____	_____	_____

CAPITAL REQUIREMENTS

The paid-up capital stock of the Bank is \$ Attached, and the permanent surplus of the Bank is \$ Attached. A certified cashier's check for \$83,014.99 (One-half of 1% of FY 2020 revenues of Lamb County and one-half of 1% of FYE 2020 registry account balance) made payable to Lamb County accompanies this bid and is tendered under the terms of the law (Local Government Code, Section 116.023 (b) and Section 117.021 (c)) and these specifications.

_____ is hereby authorized to receipt for said check upon return.

_____ (Bidding Bank)

By: _____

The following is to be signed when check is returned to bidding Bank:

Received certified cashiers' check for \$ _____ for _____ (Bank)

Date: _____

By: _____



Jerry Yarbrough
Lamb County Treasurer

100 6th Drive RM B4
Littlefield, Texas 79339
806-385-4222 Ext. 204

TO: ALL LAMB COUNTY BANKS

SUBJECT: APPLICATION FOR LAMB COUNTY DEPOSITORY CONTRACT
June 1, 2021 – May 31, 2025

Lamb County Commissioners' Court is accepting bids for a four-year depository contract in accordance with the provisions of Chapters 116 and 117 of the Texas Local Government Code, as amended, and other statutes and codes that pertain to county depositories, certain trust funds and court registry funds held in trust by the county.

Your bid should be accompanied by a check for not less than one-half of one percent of the County's revenue for FY 2020 and one-half percent of the Registry/Trust/Other funds held by the County and District Clerks during the preceding fiscal year, or **\$83,014.99**. The checks of unsuccessful bidders will be returned immediately, and the check of the successful bidder will be returned after the depository has filed the surety bond or pledged securities as required by law.

Your bid should be properly signed and submitted no later than 10 a.m. on Wednesday, March 31, 2021, in an envelope clearly marked "County Depository Bid".

Your participation is appreciated and be assured that we will answer any questions you might have concerning Lamb County finances.

If any applicant has questions, please do not hesitate to contact Jerry Yarbrough, Lamb County Treasurer at 806-385-4222 ext. 204.

INSTRUCTIONS TO APPLYING BANKS

APPLICATION TITLE..... County Depository Bid
APPLICATION DUE DATE Wednesday, March 31, 2021, 10:00 a.m.
APPLICATION OPENING DATE Wednesday, March 31, 2021, 10:15 a.m.
APPLICATION AWARD DATE Monday, April 5, 2021, 10:00 a.m.
MARK ENVELOPE "County Depository Bid"
CONTACT PERSON Jerry Yarbrough,
Lamb County Treasurer
806-385-4222 ext. 204
jyarbrough@co.lamb.tx.us

APPLICATION CONTENTS. Your application should contain both an original and a copy. The original should be clearly marked "ORIGINAL" and contain all original signatures.

1. One ORIGINAL, clearly labeled with original signatures, and two COPIES.
2. List of references of current Public Fund users.
3. Bank's last three (3) Call Reports.
4. Bank's Audited Financial Report for past 2 years.
5. Bank's last three (3) quarterly Uniform Bank Performance reports.
6. Certified Check or Cashier's Check as a guarantee of good faith for amount specified.
7. A sample of a monthly Collateral Report.
8. Sample account analysis report.
9. Sample bank statement.
10. Copy of Bank's Availability Schedule.
11. Certified and Attested Resolution from a duly authorized meeting of the Board of Directors empowering signer to execute this contract.
12. A response to every section and subsection in the application and worksheet.
13. Attachment indicating other services and charges not specified.

GENERAL SPECIFICATIONS

1.1 DELIVERY INSTRUCTIONS - Applications must be delivered to the County Judge of Lamb County, Texas, 100 6th Drive, RM 101, Littlefield, Texas, 79339, by the date and time specified on the previous page. They should be presented in a sealed envelope labeled "County Depository Bid."

1.2 LATE APPLICATIONS - Late applications will be returned to the applying bank unopened. Lamb County will not be responsible for unmarked, improperly marked applications, or applications delivered to the wrong location.

1.3 WITHDRAWAL AND ALTERING APPLICATION - Applications may be withdrawn at any time prior to public opening. Alterations made before opening time must be initialed by the applying bank to guarantee authenticity. After the official opening, applications may not be amended, altered, or withdrawn without the recommendation of the County Treasurer and the approval of the Lamb County Commissioners' Court. All applications become the property of Lamb County and are subject to the Open Records Act.

1.4 NON-CONFORMING OR INCOMPLETE APPLICATIONS - Non-conforming or incomplete applications will be rejected. It will be the responsibility of the Applying Bank to conform to the specifications unless deviations are clearly cited and noted upon acceptance.

1.5 PUBLIC OPENING - Public opening of the bids will be held in the Commissioners' Courtroom, 100 6th Drive, Littlefield, Texas, 79339, at the date and time specified on the previous page.

1.6 CONTRACT AWARD - The County will contract with a bank, or more than one bank for a four-year term. The application must be submitted using the worksheets in the specifications. The Contract Award will be made during Commissioner's Court on April 5, 2021.

The Commissioners' Court of Lamb County reserves the right to reject in part or in whole any or all bids, waive minor technicalities, and award the bid that best serves the interest of Lamb County.

1.7 SCOPE OF CONTRACT - It is the intent of Lamb County to execute a contract with a bank wanting to be designated as the County Depository Bank from 6/1/2021 through 5/31/2025. The Contract will include deposits of Lamb County Public Monies, including but not limited to direct deposits from state agencies, the funds held by the County Clerk, the registry funds held by the District Clerk and County Clerk, the funds held by the Sheriff's department, and the funds collected by the County Tax Assessor-Collector.

Once the main depository bank for County business is selected, the Commissioner's Court has the option to request applications for sub-depositories, to better serve those fee offices in towns not located near the main depository.

1.8 RESPONSE REQUIRED FOR EACH SECTION/SUBSECTION – Each section and subsection require a response from depository applicants. Applicants must format responses in the same sequence as presented in the worksheet. Where appropriate, responses may consist of phrases such as “understood”, “agreed”, “no exception”, or “not applicable”.

1.9 MINOR EXCEPTIONS – Minor exceptions, conditions, or qualifications to the provisions of the County's specifications must be clearly identified as such and the reasons stated in explanation.

1.10 EVALUATION CRITERIA - Lamb County will award the depository bank contract based on, but not limited to, the following criteria:

- 1) Bank's past and current financial position
- 2) Bank's ability to pledge adequate securities to secure County funds
- 3) Bank's experience in providing the depository services requested
- 4) Net rate of return on County funds.
- 5) Ability to meet service requirements.
- 6) Cost of services.
- 7) Security of County personnel in conducting banking activities.
- 8) Cash management products available that will enhance the County's banking procedures.

CONTRACTUAL REQUIREMENTS

2.1 BANK AFFILIATION – An applying bank must be a Federal or Texas chartered bank doing business in and having a full-service facility within Lamb County, Texas. Banks who operate under the State of Texas bank charter may submit an Application without membership in the Federal Reserve System. State chartered banks MUST be able to perform ALL services required by this Request for Application. Any bank submitting an application must be a member of the Federal Depository Insurance Corporation.

Understood: X

Comment Agreed

2.2 COMPLIANCE WITH THE STATUTES

By returning the Application Worksheet, bank acknowledges that it understands and will comply with the Texas Local Government Code, Chapter 116 "Depositories for County Public Funds" and Chapter 117 "Depositories for Certain Trust Funds and Court Registry Funds" (hereafter referred to as "the Code") that pertain to the managing and safekeeping of County funds, including but not limited to those specified.

Understood: X

Comment: Agreed

2.3 DURATION OF CONTRACT - The bank contract will be effective for period of four (4) years. On expiration of a contract under Code 116.021, the contract may be renewed for two (2) more years under terms negotiated by the Commissioners' Court.

If a timed deposit maturity extends beyond the expiration date of the contract, the depository bank will pledge sufficient securities required for public funds to Lamb County to provide for the maturity of the time deposit.

The depository bank will allow a 60-day extension of contract terms in the event that the County must transition to a new bank at the end of the contract period.

Understood: X

Comment: Agreed

2.4 RENEGOTIATIONS - Code Sec. 116.021(b) specifies that "If the contract is for a four-year term, the contract shall allow the county to establish, on the basis of negotiations with the bank, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract." At the end of the contract, the county may renew for another two years, with renegotiation of rates and financial terms (Code Sec. 116.021(c)). The County will also allow the bank to initiate negotiations at the above-mentioned legally specified times.

Understood: X

Comment: Agreed

2.5 SUBMITTING FINANCIAL STATEMENTS - All banks wishing to be designated as the depository bank must include as part of their application:

- The Bank’s last three (3) Call Reports.
- The Bank’s Annual Financial Reports (audited) for the past 2 years.

The successful applicant shall continue to furnish to the County Treasurer updated issues of (a) each quarterly call report and (b) annual financial reports, during the term of the depository contract.

Understood: X
Comment: _____ Agreed. Reports will be made available upon request

2.6 REFERENCES – All banks wishing to be designated as the depository bank must include with their application a list of references of current public fund users that utilize cash management products similar to those requested in the application.

Understood: X
Comment: _____ Agreed

2.7 GOOD FAITH GUARANTEE - Bank desiring to be the depository bank must submit with the application a certified check or a cashier’s check in the amount of \$83,014.99, (one-half percent of the County’s revenue, Code Sec. 116.023, and one-half percent of the registry, trust, or other funds held by the County and District Clerks during the preceding year (Code Sec. 117.021 (c), payable to Lamb County as a guarantee of good faith. The check will be held by the County until the depository bank is selected and the securities have been pledged.

Understood: X
Comment: _____ Agreed

2.8 PLEDGED COLLATERAL SECURITY -Within fifteen (15) days after the selection of the depository bank by Commissioners' Court, the selected bank shall qualify as provided by law. The County will accept surety bonds and/or a Securities Pledge Contract provided for under Texas Local Government Code, Chapter 116, as the method of securing the funds of the County.

To compensate for the increases and decreases in County deposits and the fluctuations in market value of pledged collateral, the minimum market value of collateral will be 105% of combined County deposits. The collateral requirement must be monitored daily by the depository bank personnel. Additions to or deletions from collateral must be approved by the Lamb County Treasurer.

Pledged securities shall be the kind prescribed by law under Chapter 116 of the Code and must be acceptable to Lamb County. The following securities are acceptable to Lamb County:

- US Treasury Notes and Bills
- Government National Mortgage Association Certificates
- Federal Farm Credit Bank Notes and Bonds
- Federal Home Loan Bank Notes and Bonds
- Federal National Mortgage Association Notes and Bonds
- Federal Home Loan Mortgage Corporation Notes and Bonds
- State of Texas Bonds
- Bonds of City, County and Independent School Districts located in Texas rated at to investment quality by a nationally recognized investment rating firm not less than A or its equivalent

The bank must be the true and legal owner of all securities pledged to the County. The securities must be free and clear of all liens, claims, and not pledged for any other purpose. The County will not accept any security acquired by the bank under a repurchase agreement. The securities will be deposited with a Third-Party Bank or Federal Reserve Bank without expense to the County under an appropriate contract to be drawn to the provisions of Chapter 116 of the Code and amendments in accordance with the application, if approved.

Understood: X

Comment: Agreed

2.9 LIQUIDATED DAMAGES - As stated in Code Sec. 116.023: "If a bank is selected as a depository and does not provide the bond and/or security, the County shall retain the amount of the check as liquidated damages." A new depository shall then be selected.

Understood: X

Comment: _____ Agreed

2.10 COLLATERAL MANAGEMENT – The depository bank must include, as part of the application, a statement as to how the bank intends to ensure, on a daily basis, that sufficient collateral is pledged to protect covered accounts.

Understood: X

Comment: _____ Agreed. Pledging will be monitored daily and appropriate bonds will be held in safekeeping by PlainsCapital Bank

2.11 VALUE OF COLLATERAL – The depository bank must propose how it will value pledged securities. The County may at any time investigate the value of any of the securities that may be pledged by the bank. The full cooperation of the bank will be required in such instance.

Understood: X

Comment: _____ All pledged bonds will be accounted for at fair market value. Fair value will be updated monthly by the bank's bond accounting firm The Baker Group

2.12 INVESTMENTS MADE OUTSIDE DEPOSITORY BANK – Lamb County reserves the right to make external investments according to the laws of the State of Texas and the Investment Policy of Lamb County.

Understood: X

Comment: _____ Agreed

3.2 CONTACT PERSON – The bank shall specify an officer who will be responsible for overseeing the County’s entire relationship, who would serve as the primary contact and who would be able to make decisions regarding operational aspects of this contract.

Understood: X
Comment: Littlefield President Bret Holloway will be the primary contact.
 Chief Operations Officer Bonnie Clark will be the secondary contact.

3.3 STATEMENTS - Monthly account statements will be provided for all accounts, with all corresponding check images (front and back and no more than five (5) checks per page), debit and credits memos, etc. This statement shall show the number of checks, deposit and deposit items posted, daily ledger balances, average daily ledger balance for the month, average daily collected balance for the month and other items on which charges are based. Physical statements shall be provided within five (5) working days after calendar month-end, while access to online banking shall also be provided where statements will be available within two (2) working days after month-end.

The accounts shall be subject to examination by the County Treasurer or the County Auditor at any time during the BANK’s business hours.

If online banking does not provide a 2-year “look back” at cancelled check images, the bank shall provide an electronic data file of all check images each month (from Payroll and AP Clearing accounts), in the form of a compact disk, electronic PDF file, or other data format usable by the County. **(A sample bank statement must be included as a part of the application.)**

Understood: X
Comment: Agreed

3.4 ON-LINE SERVICES – The depository bank will provide on-line banking and/or other cash management tools to the County for daily reporting of fund balances, managing controlled disbursements, collected and ledger balances, stop payment requests, confirmations, and detailed debits and credits. **Banks should be prepared to provide the Treasurer’s office an opportunity to physically work with this technology before the application is selected.**

Understood: X
Comment: Agreed

3.5 STOP PAYMENTS - The bank will be required to process stop payments based on written instructions faxed from the County Treasurer or her assignee with follow-up written confirmation, as well as through online banking submissions. Please provide information on services and/or tools that will allow us to issue "stop payments" more efficiently.

Understood: X

Comment: Stop payments can be applied with a simple phone call to any of our branch locations.

3.6 DISBURSEMENT SERVICES - Standard disbursing services for all accounts are required to include the payment of all County checks upon presentation, including cashing the checks of vendors or employee paychecks whether or not they have an account with the bank, without charge to the County, the vendor, or the employee. Please describe any additional disbursement tools that could improve our banking and cash management process.

Understood: X

Comment: Agreed. We will provide the services listed above with no fees. We also offer ACH origination and P2P transfers

3.7 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. Please describe any services and/or tools that will allow us to more efficiently deposit checks into our accounts from remote locations. **Bank should provide a copy of their Availability Schedule as part of the application.**

Understood: X

Comment: Agreed. We also can provide Remote Deposit Capture devices and/or Mobile deposit within our app.

3.8 CASH OVERDRAFTS - For the purpose of determining cash overdrafts, the daily cash balance in all County accounts will be added together and if a negative balance occurs, the County's account is considered to be over-drafted. An applicable insufficient funds fee can then be charged, if bank so requires.

Understood: X

Comment: Agreed

3.9 PAYROLL DIRECT DEPOSIT -- Bank should provide the capability for the County to utilize secure "Direct Deposit" payroll processing, allowing employees to select the bank of their choice. Please describe your direct deposit payroll process.

Understood: X

Comment: We provide this service via ACH origination

3.10 ACH AND WIRE TRANSACTIONS -- Bank should provide for acceptance of ACH credits and debits and wire transfers. The bank should have the ability to restrict outgoing ACH debits or wire transfers to only those authorized.

Understood: X

Comment: Agreed

3.11 SECURITY AND SAFEKEEPING -- Bank should provide for book entry/DTC acceptance and safekeeping of investment securities, if needed during the span of this contract. A month-end safekeeping statement including market values will be provided. Indicate cost associated with a security purchase settlement.

Understood: X

Comment: We do not provide safekeeping services

3.12 INTEREST AND INTEREST RATE - Variable interest rate bids and fixed interest rate bids on interest-bearing accounts and certificates of deposit shall be quoted by the bank. Lamb County would like the right to select the rate most favorable to the County any time during the term of the contract, subject to banking laws.

Understood: X

Comment: The bank will pay a variable interest rate equal to the 13week T-Bill plus 20 basis points, adjustable quarterly on all types of County Deposits.

3.13 INTEREST-BEARING ACCOUNTS - Lamb County has accounts established under these specifications for disbursing checks written on Lamb County funds. Checks and transfers will be written from these accounts. Wire transfers, ACH transfers, internal bank transfers, and deposits will also be made from these accounts.

Understood: X

Comment: Agreed

3.14 CASH MANAGEMENT – On an ongoing basis, the County will require cash management advice as to how accounts and procedures can be more efficiently and legally structured. Also, the County will want to be kept informed of recent developments in cash management products. Applying banks are invited to propose additional cash management services that are not specified herein, along with any cost or estimated savings to the County.

Understood: X

Comment: Cash management services will be provided at no charge to the County

3.15 EXPENSE ALLOWANCE – State the dollar amount, if any, that the bank will be willing to provide for expenses incurred due to changing depository banks—e.g., checks, deposit slips, endorsement stamps, locking bank bags, etc.

Understood: X

Comment: The bank will provide all of the above at no charge to the County, with the exception of endorsement stamps that will be provided at our cost. See bid letter for more detail

3.16 SHORT-TERM FINANCING - The County may require short-term financing during this contract in the form of Time Warrants.

Fixed:	Less than 1yr Rate	<u> </u>	1-4-yr Rate	<u> </u>
Variable:	Less than 1yr Rate	<u> </u>	1-4-yr Rate	<u> </u>

Understood: X

Comment: Per the bid letter, the bank will provide financing at WSJ Prime adjustable daily.

3.17 OTHER SERVICES - Bank will list services and fees, adding any not listed in Sec. 3.21.

Locked or Sealable Bags	_____	Standard Deposit Slips	_____
Laser Check Stock	_____	Endorsement Stamps	_____
Check books or binders	_____	Coin Wrappers	_____
Deposit slips w/ carbonless duplicate	_____	Currency Straps	_____

Understood: X

Comment: We can provide all of these services at no charge with the exception of Endorsement Stamps that will be provided at our cost.

3.18 OTHER UNSPECIFIED SERVICES AND/OR COSTS – Other services and/or costs not specified in this document should be listed and attached, along with a description and unit pricing.

Comment: Free online banking and mobile app with mobile deposit and P2P transfers

SERVICES WORKSHEET FOR BID

4.1 Interest Bearing Checking Accounts:	Variable*	Fixed
	Interest Margin	Interest Rate
	_____	_____

The bank will pay a variable interest rate equal to the 13week T-Bill plus 20 basis points, adjustable quarterly on all types of County Deposits.

4.2 Money Market Accounts:	_____	_____
-----------------------------------	-------	-------

*Variable Rate = 91-Day US T-Bill Effective Rate (as determined by daily T-Bill rate at www.treas.gov or latest T-Bill Auction) + Margin (Based on basis points).
 Example: If 91-Day US T-Bill effective rate is .30% on 2/24/19 and basis points are 1.0, the variable rate is 1.30%.

4.3 Certificates of Deposits - Variable Interest Rate

91-Day US T-Bill Effective Rate (as determined by www.treas.gov or latest T-Bill Auction)

	Less than \$100,000	\$100,000-999,999	\$1,000,000 +
1. Maturity 7-29 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
2. Maturity 30-59 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
3. Maturity 60-89 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
4. Maturity 90-179 days	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts
5. Maturity 180-1 year	+ ___ basis pts	+ ___ basis pts	+ ___ basis pts

4.4 Certificates of Deposits - 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- less than a year	_____ %	_____ %	_____ %
6. Maturity one year	_____ %	_____ %	_____ %

Comment: The bank will pay an interest rate equal to the 13week T-Bill plus 20 basis points, on all CD's regardless of the term selected. The initial rate will remain in place until the CD matures.

<u>4.5 Services Provided: (Indicate whether there will be a charge and, if so, the cost per unit.)</u>	<u>Yes</u>	<u>No</u>	<u>Amt/unit</u>
1) Monthly Account Analysis (w/ 40 accts)	<u> </u>	<u> X </u>	\$ <u>N/A</u>
2) Wire Transfer: Incoming	<u> X </u>	<u> </u>	\$ <u>No charge</u>
Outgoing	<u> X </u>	<u> </u>	\$ <u>No charge</u>
3) ACH Debits/Credits	<u> X </u>	<u> </u>	\$ <u>No charge</u>
4) In-House Acct. Transfers:	<u> X </u>	<u> </u>	\$ <u>No charge</u>
5) Account Maintenance (38 checking accts):	<u> X </u>	<u> </u>	\$ <u>No charge</u>
6) Deposits	<u> X </u>	<u> </u>	\$ <u>No charge</u>
7) Items deposited	<u> X </u>	<u> </u>	\$ <u>No charge</u>
8) Coin	<u> X </u>	<u> </u>	\$ <u>No charge</u>
9) Currency	<u> X </u>	<u> </u>	\$ <u>No charge</u>
10) Returned Items	<u> X </u>	<u> </u>	\$ <u>No charge</u>
11) Checks Paid	<u> X </u>	<u> </u>	\$ <u>No charge</u>
12) Excess Collateral Charges	<u> X </u>	<u> </u>	\$ <u>No charge</u>
13) Pledge/Releases	<u> X </u>	<u> </u>	\$ <u>No charge</u>
14) Charges for supplies, if any:			
Deposit slips	<u> X </u>	<u> </u>	\$ <u>No charge</u>
Laser check stock	<u> X </u>	<u> </u>	\$ <u>No Charge</u>
Printed check books	<u> X </u>	<u> </u>	\$ <u>No Charge</u>
Locked or Secure bags	<u> X </u>	<u> </u>	\$ <u>No Charge</u>
Check images on CD	<u> </u>	<u> X </u>	\$ <u>We can provide at no cost via email.</u>
Endorsement stamps	<u> X </u>	<u> </u>	\$ <u>Our Cost</u>
15) Positive Pay	<u> </u>	<u> X </u>	

16) Are there any additional charges for the requested collection, disbursement, investment, or miscellaneous services or supplies not previously covered? If so, please describe and show the fee per unit.

Service:

Fee/Unit:

<u>Remote Deposit Capture Equipment</u>	<u>Our Cost</u>
<u>Insured Cash Sweep (ICS) and CDARs program</u>	<u>No Charge</u>
_____	_____

DEPOSITORY BANK BID VALIDATION

Bank must complete the information below to validate the Application for Depository Bank of Lamb County.

The undersigned affirms that they are fully authorized to execute this contract by providing Lamb county with a Certified and Attested Resolution from a duly authorized meeting of the Board of Directors of the submitting bank authorizing or empowering the undersigned to execute this contract; that this bank has not prepared this Application in collusion with any other bank; and that the contents of this Application as to fees, interest rates, terms, or conditions of said Application have not been communicated by the undersigned, nor by any employee or agent, to any other bank making Application or to any other persons engaged in this type of business prior to the official opening of this Application.

All Unsigned Applications will be Disqualified

Name and address of Bank

Wellington State Bank
501 Phelps Ave
Littlefield, TX 79339

Signature: _____
Name: Bret Holloway
Title: Littlefield Market President
Telephone No: 806-385-5134
Email: bholloway@wellingtonsb.bank

REFERENCES

List two (2) references for whom the applying bank has supplied similar services and supplies. Please include phone number and name of contact person. Other governmental entities are preferred.


Business	Contact Person	Phone #
<u>Lamb County Appraisal District</u>	<u>Lesa Kloiber</u>	<u>806-385-6474</u>
<u>Collingsworth County</u>	<u>Gina Harris</u>	<u>806-447-2408</u>

CAPITAL REQUIREMENTS

The paid-up capital stock of the Bank is \$ 200,000, and the permanent surplus of the Bank is \$ 32,316,656. A certified cashier's check for \$83,014.99 (One-half of 1% of FY 2020 revenues of Lamb County and one-half of 1% of FYE 2020 registry account balance) made payable to Lamb County accompanies this bid and is tendered under the terms of the law (Local Government Code, Section 116.023 (b) and Section 117.021 (c)) and these specifications.

Bret Holloway is hereby authorized to receipt for said check upon return.

Wellington State Bank
(Bidding Bank)

By: 

Michael Voelcker - Chief Financial Officer

The following is to be signed when check is returned to bidding Bank:

Received certified cashiers' check for \$ 83,014.99 for Wellington State Bank
(Bank)

Date: _____
By: _____



**Jerry Yarbrough
Lamb County Treasurer**

100 6th Drive RM B4
Littlefield, Texas 79339
806-385-4222 Ext. 204


February 8, 2021


To Lamb County Commissioners Court:

I am asking the Commissioner's Court to re-adopt the Investment Policy dated February 25, 2019, from the Lamb County Commissioner's Court Records of the same date.

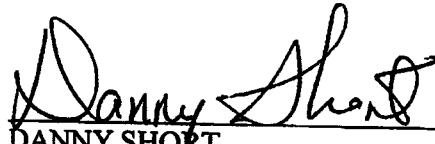
Jerry Yarbrough
Lamb County Treasurer

IN WITNESS WHEREOF, we hereunto set our hand to be affixed this 8th day of February 2021.


JAMES M. DELOACH, COUNTY JUDGE


CORY DEBERRY
COMMISSIONER, PRECINCT #1


KENT LEWIS
COMMISSIONER, PRECINCT, #2


DANNY SHORT
COMMISSIONER, PRECINCT #3


LEE LOGAN
COMMISSIONER, PRECINCT #4

ATTEST: 
TONYA RITCHIE, COUNTY CLERK



COPIES

INVESTMENT POLICY LAMB COUNTY, TEXAS

I. INVESTMENT SCOPE

General Statement

This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256, the Public Funds Investment Act (P.F.I.A.) to define and adopt a formal investment policy. This policy shall be reviewed and adopted by resolution at least annually in accordance with G.C. Section 2256.005 (e).

Funds Included

This investment policy applies to all financial assets of all funds of the County of Lamb, Texas at the present time; any funds to be created in the future; any other funds held in custody by the County Treasurer; unless expressly prohibited by law or unless it is in contravention of any depository contract between Lamb County and any depository bank.

II. INVESTMENT OBJECTIVES

General Statement

Funds of the County will be invested in accordance with federal and state laws, this investment policy and written administrative procedures. The County will invest according to investment strategies for each fund as they are adopted by Commissioners' Court resolution in accordance with G.C. 2256.005(d).

Safety

The County is concerned about the return of its principal; therefore, safety of principal is the primary objective in any investment transaction.

Liquidity

The County's investment portfolio must be structured in conformity with an asset/liability management plan that provides for liquidity necessary to pay obligations as they become due.

Diversification

It will be the policy of the County to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in specific maturities, a specific issuer or a specific class of investments. Investments of the County shall always be selected that provide for safety of principal, stability of income and reasonable liquidity prior to maturity.

INVESTMENT POLICY

LAMB COUNTY, TEXAS

Yield

It will be the objective of the County to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives, investment strategies for each fund and all state and federal law governing investment of public funds.

Maturity

Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the maximum rate of return consistent with liquidity requirements. When the County has funds that will not be needed to meet current-year obligations, maximum restraints will be imposed based upon the investment strategy for each fund. The maximum allowable stated maturity of any individual investment owned by the County is thirty-six (36) months.

Quality and Capability of Investment Management

It is the County's policy to provide training required by the Public Funds Act, Sec. 2256.008 and periodic training investments for the County Investment Officer through courses and seminars offered by professional organizations and associations in order to insure the quality, capability and timeliness of the County Investment Officer in making investment decisions.

III. INVESTMENT RESPONSIBILITY AND CONTROL

Liability of Investment Officer

In accordance with sec. 113.005, Local Government Code, the County Investment Officer is not responsible for any loss of the County funds through the failure or negligence of a depository. This section does not release the Investment Officer from responsibility for a loss resulting from the official misconduct or negligence of the Investment Officer, including a misappropriation of the funds, or from responsibility for funds until a depository is selected, and the funds are deposited. If the Investment Officer is other than the County Treasurer, that person must be fully bonded.

Investment Institutions Defined

The Lamb County Investment Officer shall invest County Funds with any or all, of the following groups or institutions consistent with the governing law (Government Code, Chapter 2256):

1. Depository Bank;
2. Certificate of deposit if issued by state and/or national banks domiciled in this state or a savings and loan association domiciled in this state and is (Government Code 2256.010):
 1. Guaranteed or insured by the federal deposit insurance corporation, or its successor

INVESTMENT POLICY LAMB COUNTY, TEXAS

3. Eligible investment pools (as discussed in the Public Funds Investment Act, Government Code Section 2256.016-2256.019) if the Commissioner's Court by resolution authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Public Funds investment Act. A county, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
3. Licensed Government securities brokers and dealers.

Federally Qualifications for Approval of Broker/Dealers

G. C. Section 2256.005, a written copy of this investment policy shall be presented to any person or entity offering to engage in investment transactions with Lamb County. The qualified representative of the business organization offering to engage in investment transactions with Lamb County shall execute a written instrument substantially to the effect that the business organization has;

1. Received and thoroughly reviewed the investment policy of Lamb County;
2. Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities ;and
3. G. C. Section 2256.025 the broker must be deemed by Lamb County as qualified and authorized to engage in investment transactions with Lamb County.
4. The Investment Officer may not purchase any securities from a person who has not delivered to the County an instrument agreeing to the above according to G.C. Section 2256.005(e).

Standards of Operation

The County Investment officer shall develop and maintain written administrative procedures for the operation of the investment program, consistent with this investment policy.

Delivery vs. Payment

It will be the policy of the County that all Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the "Delivery vs Payment" (DVP) method through the Federal Reserve System. By so doing, County funds are not released until the County has received, through the Federal Reserve wire, the securities purchased.

Audit Control

The County Investment Officer will establish liaison with the Lamb County Auditor in preparing investment forms to assist the County Auditor with accounting and auditing control.

The County Investment Officer is subject to audit by the Lamb County Auditor. In addition, it is the policy of the Lamb County Commissioners' Court, at a minimum, to have an annual audit of all County funds, investments and investment procedures by an independent auditing firm. The County Investment

INVESTMENT POLICY LAMB COUNTY, TEXAS

Officer and the County's investment procedures shall be subject to an annual compliance audit of management controls on investments and adherence to the County's established investment policies in accordance with Government Code 2256.005(m).

Standard of Care

In accordance with Government Code 2256.006, investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority;

1. preservation and safety of principal;
2. liquidity; and
3. yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration;

1. the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
2. whether the investment decision was consistent with the written investment policy of the entity.

IV. INVESTMENT REPORTING

Regular Reports

In accordance with Government Code 2256.023, not less than quarterly, the investment officer shall prepare and submit to the Lamb County Commissioners' Court a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the county on the date of the report;
2. Be prepared by the investment officer of the county and if any other officers a joint report.
3. Be signed by the investment officer of the county;
4. Contain a summary statement of each pooled fund group that states the;
 - a. Beginning market value for the reporting period;
 - b. Additions and changes to the market value during the reporting period;
 - c. Ending market value for the reporting period, and,
 - d. Fully accrued interest for the reporting period.
5. State the book value and market value of each separately invested asset at the beginning and the end of the reporting period by the type of asset and fund type invested.
6. State the maturity date of each separately invested assets that have a maturity date;

INVESTMENT POLICY LAMB COUNTY, TEXAS

7. State the account or fund or pooled group fund in the county for which each individual investment was acquired; and
8. State the compliance of the investment portfolio of the county as it related to ;
 - a. The investment strategy expressed in the county's investment policy; and,
 - b. Relevant provisions of the PFIA.

Notification of Investment Changes

It shall be the duty of the County Investment Officer of Lamb County, Texas to notify the Lamb County Commissioners Court of any significant changes in current investment methods and procedures prior to their implementation, regardless of whether they are authorized by this policy.

V. INVESTMENT TYPES

Authorized Investments

The Lamb County Investment Officer shall use any or all of the following authorized investment instruments consistent with governing laws and the PFIA contained in Texas Government Code Section 2256;

1. Obligations, including letters of credit, of the United States or its agencies
2. Direct obligations of this state or its agencies and instrumentalities.
3. Other Obligations , the principal and interest which are unconditionally guaranteed or insured by , or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and
4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
5. Certificates of deposit and Share Certificates, are an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in this state and is;
 - a. Guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC") or its successor, or the National Credit Union Share Insurance Fund ("NCUSIF") or its successor: or
 - b. Secured in any other manner and amount provided by law for deposits of the county.
6. Money Market and Interest-Bearing Accounts with the depository bank or any participating bank. Must be covered by FDIC insurance or pledged securities that are acceptable in accordance with State and Federal Law.
7. Eligible investment pools (as discussed in the Public Funds Investment Act, Government Code Section 2256.016-2256.019) if the Commissioner's Court by resolution authorizes investment in the particular pool.
8. Direct repurchase agreement fully collateralized by U.S. Treasury Securities or U.S. Agency Securities.

INVESTMENT POLICY LAMB COUNTY, TEXAS

Prohibited Investments

The Lamb County Investment Officer will not invest in funds of any type or form of collateralized mortgage obligations of any description.

VI. INVESTMENT COLLATERAL AND SAFEKEEPING

The Investment Officer shall insure that all County funds are fully collateralized or insured consistent with Federal and State law and the current Bank Depository Contract in one or more of the following manners;

1. FDIC insurance coverage;
2. Letters of Credit of the United States or its agencies
3. Obligations of the United States or its agencies
4. Any other manner allowed under Government Code Chapter 2257 (Public Funds Collateral Act).

Safekeeping

All purchased securities shall be held in safekeeping by the County, or a County account in a third party Financial institution, or with a Federal Reserve Bank. All certificates of deposit, insured by FDIC, purchased outside the depository bank shall be held in safekeeping by either the County or a County account in a third party financial institution. All pledged securities or letters of credit by the depository bank shall be held in safekeeping by the County, or a County account in a third party financial institution, or with a Federal Reserve Bank.

**INVESTMENT POLICY
LAMB COUNTY, TEXAS**

RESOLUTION

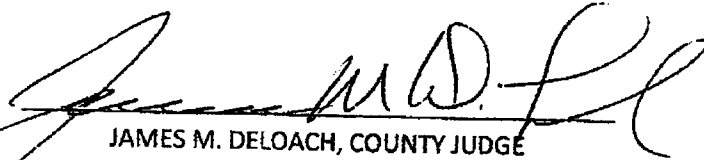
RESOLUTION OF 2019 LAMB COUNTY INVESTMENT POLICY & STRATEGIES

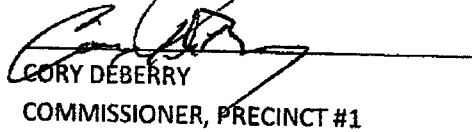
WHEREAS, the Texas Legislature set forth the Public Funds Investment Act in Government Code Section 2256, and

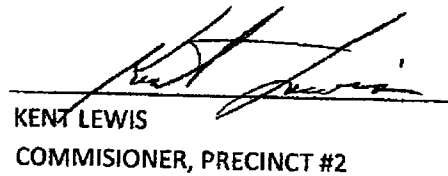
WHEREAS, compliance with the Public Funds Investment Act requires that each county review by resolution its County Investment Policy & Investment Strategies yearly.

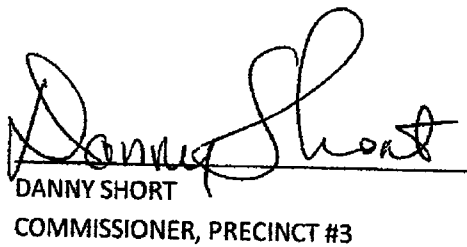
NOW, THEREFORE, BE IT RESOLVED, the Commissioners' Court of Lamb County, in a regular meeting duly convened and acting in its capacity as the governing body of Lamb County, hereby Adopts the attached Lamb County Investment Policy, setting forth its investment strategies by fund type.

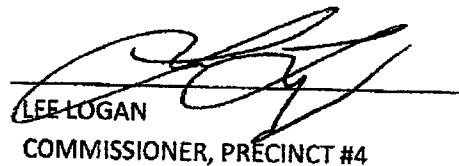
IN WITNESS WHEREOF, we have hereunto set our hands to be affixed this 8th day of February 2021.


JAMES M. DELOACH, COUNTY JUDGE


CORY DEBERRY
COMMISSIONER, PRECINCT #1

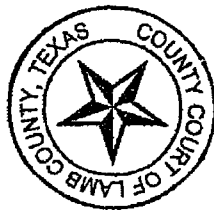

KENT LEWIS
COMMISSIONER, PRECINCT #2


DANNY SHORT
COMMISSIONER, PRECINCT #3


LEE LOGAN
COMMISSIONER, PRECINCT #4

ATTEST:


TONYA RITCHIE, COUNTY CLERK



**INVESTMENT POLICY
LAMB COUNTY, TEXAS**

COUNTY OF LAMB

ATTACHMENT A

THE STATE OF TEXAS

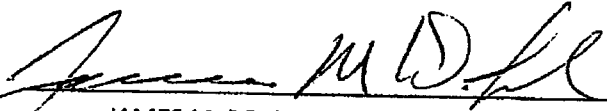
RESOLUTION

WHEREAS, the Public Funds Investment Act requires the Commissioners Court to appoint one or more County Investment Officer; and

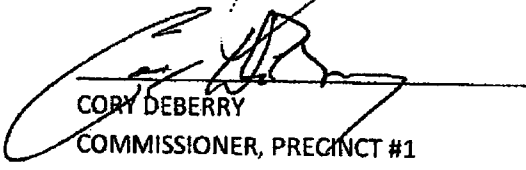
WHEREAS, the Commissioners Court of Lamb County wishes to comply with the Act and faithfully safeguard and properly invest the taxpayers' dollars;

NOW THEREFORE BE IT RESOLVED, that Lamb County Commissioner's Court hereby appoints County Treasurer, Jerry Yarbrough, or her successor, as County Investment Officer for the County of Lamb.

IN WITNESS WHEREOF, we have hereunto set our hands to be affixed this 8th day of February 2021.



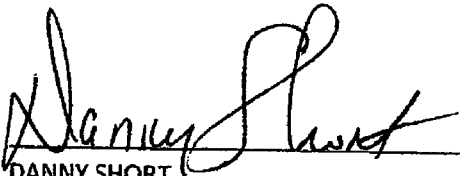
JAMES M. DELOACH, COUNTY JUDGE



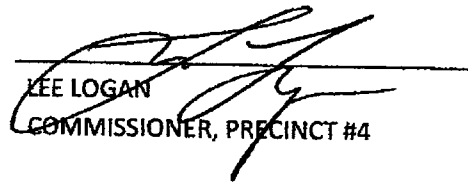
CORY DEBERRY
COMMISSIONER, PRECINCT #1



KENT LEWIS
COMMISSIONER, PRECINCT #2



DANNY SHORT
COMMISSIONER, PRECINCT #3



LEE LOGAN
COMMISSIONER, PRECINCT #4

ATTEST:



TONYA RITCHIE, COUNTY CLERK



INVESTMENT POLICY LAMB COUNTY, TEXAS

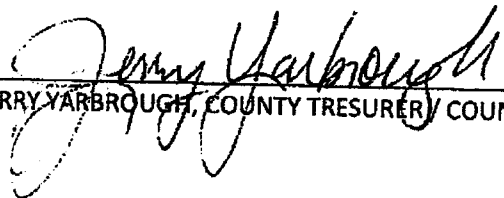
Investment Officer Training

It is Lamb County's policy to provide training required by the PFIA Government Code 2256.08 and periodic educational training related to the investment officer duties. The investment officer and any staff involved in the investment process shall attend these courses or at least one training session relating to the responsibilities under the PFIA within twelve months of taking office.

The investment officer and any staff involved in the investment process shall attend an investment training session not less than once in a two-year period and receive not less than ten (10) hours of instruction relating to investment responsibilities on the PFIA.

Investment Compliance

Lamb County will abide by the law and will follow the guidelines of Texas Government Code Title 8 Subtitle A Chapter 808 – "Prohibition on Investment in Companies that Boycott Israel"



JERRY YARBROUGH, COUNTY TRESURER / COUNTY INVESTMENT OFFICER