

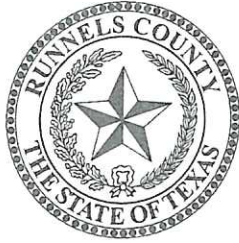
REQUEST FOR APPLICATION

RUNNELS COUNTY BANK DEPOSITORY CONTRACT

APPLICATION BID RECEIVING DEADLINE: Tuesday, March 25, 2025 10:00 a.m.

APPLICATION BID OPENING TIME: Tuesday, March 25, 2025 10:00 a.m.

**CONTACT PERSON: LAURA POSPICAL
RUNNELS COUNTY TREASURER
325-365-2428**



TO: ALL RUNNELS COUNTY BANKS

SUBJECT: REQUEST FOR APPLICATION FOR
RUNNELS COUNTY DEPOSITORY CONTRACT
June 1, 2025 – May 31, 2029

Runnels County Commissioners' Court is accepting application bids for a four-year depository contract and four-year subdepository contract(s) 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.

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

Your bid should be accompanied by a check for \$45,500.00 as a guarantee of good faith, which is one-half of one percent of the county's revenue for FY 2024. 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. (The "Good Faith Guarantee" check is waived for those banks applying as a Subdepository Bank).

Your bid with all the proper enclosures should be properly signed and submitted no later than 10:00 a.m. on Tuesday, March 25, 2025, in a sealed envelope clearly marked "County Depository Bid". The bid must be delivered to the County Judge's Office, 1st Floor Runnels County Courthouse, 613 Hutchings Avenue, Room 103, Ballinger, Texas. The bids will be opened at that time during regular session of Runnels County Commissioners' Court.

The undersigned agrees if this bid is accepted, to furnish any and all services upon which fees or interest rates are offered and upon the terms and conditions contained in the Specifications. By returning the Bid Worksheet, the Bank certifies that all rates and fees are to be firm for 30 days, and for the life of the contract if accepted.

In addition to the public notice, exact specifications of documents required are outlined in the attached specifications and services worksheets.

Your participation is appreciated. Be assured we will try to answer any questions you may have concerning this application bid for Runnels County Depository. Direct any questions or clarifications to Laura Pospichal, County Treasurer, 325-365-2428.

The County expressly requests that proposers not discuss this engagement of the bank's plans, experience or credentials with other banks or any member of Commissioners' Court until requested by county officials to make a personal presentation.

The County expressly makes no representation that County deposits will continue at the same level of previous years, or that the character of deposits will follow the same or similar patterns of previous years.

INSTRUCTIONS TO BIDDERS

Application Title..... Runnels County Bank Depository Contract
Application Bid Receiving Deadline.. March 25, 2025, 10:00 a.m.
Application Bid Opening Time..... March 25, 2025, 10:00 a.m.
Mark Envelope..... “Runnels County Depository Bid”

Contact Person..... Laura Pospichal, Runnels County Treasurer
325-365-2428

APPLICATION BIDS MUST BE SUBMITTED IN A SEALED ENVELOPE CLEARLY MARKED “RUNNELS COUNTY DEPOSITORY BID”. COMPLETED BID APPLICATIONS MUST CONTAIN ONE (1) ORIGINAL AND ONE (1) COPY. THE ORIGINAL MUST BE CLEARLY MARKED “ORIGINAL” AND CONTAIN ALL ORIGINAL SIGNATURES.

CONTENTS CHECKLIST:

- 1. Completed Services Worksheets**
- 2. Application for Managing Depository Bank or Subdepository Bank**
- 3. Good Faith check**
- 4. Statement of Financial Condition of Bank**
- 5. Depository Bank or Subdepository Bank Bid Validation**
- 6. Resolution from Bank Board of Directors empowering signer to execute this contract.**

ALL UNSIGNED APPLICATION BIDS WILL BE DISQUALIFIED.

THE COMMISSIONERS’ COURT OF RUNNELS COUNTY RESERVES THE RIGHT TO REJECT IN PART OR IN WHOLE ANY OR ALL BIDS, WAIVE MINOR TECHNICALITIES, AND AWARD THE BID WHICH BEST SERVES THE INTEREST OF RUNNELS COUNTY.

APPLICATION BIDSS RECEIVED LATER THAN 10:00 A.M., MARCH 25, 2025 WILL BE RETURNED UNOPENED.

GENERAL SPECIFICATIONS

The selection of County Depositories and the terms of depository contracts are governed by The Texas Local Government Code, Chapter 116 and Chapter 117.

Purpose – It is the intent of Runnels County Commissioners' Court to contract with a bank desiring to be designated as the Runnels County Depository Bank or as a Runnels County Subdepository Bank. The contract will include Runnels County Public Monies including all accounts using Runnels County Tax ID number and the Trust and Registry Funds held by the County and District Clerks.

Bank Affiliation – A proposing bank must be a member of the Federal Reserve System and the Federal Deposit Insurance Corporation. The Bank must be a Federal or Texas chartered bank doing business in and having a service facility within Runnels County. Banks who operate under State of Texas bank charter may submit a request for application without membership in the Federal Reserve System. State chartered banks MUST be able to perform ALL services required by this request for application for either the Depository Bank and/or the Subdepository Bank(s).

Applicant Banks not located within the city limits of the County seat must include in their bid a guarantee of daily pickup and delivery service to all County offices in the City of Ballinger at no cost to the County.

Compliance With Statutes – By returning the Bid worksheet, the 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 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.

Duration – The Bank contract will be effective for a period of four (4) years. The Bank contract will begin June 1, 2025 and end May 31, 2029. If a time deposit or certificate of deposit maturity extends beyond the expiration date of the depository contract, the depository will pledge sufficient securities required by law for public funds to Runnels County to provide for the maturity of the time deposit or certificate of 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.

Renegotiations – Section 116.021 (b) of the Code 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".

Option For Two-Year Extension - Upon the agreement by both Runnels County and the Depository Bank, an option to extend the Depository Contract for two years is allowed under Section 116.021 (c) of the Code: "On the renewal of the contract, the county may negotiate new interest rates and terms with the bank for the next two years in the same way and subject to the same conditions as provided by Subsection (b).

Evaluation Process – Depository Bank – Runnels County will award the Depository Bank Contract based on, but not limited to the following criteria:

- Bank's financial position.
- Bank's ability to pledge adequate securities against County funds.
- Cost of banking services and ability to meet service requirements.
- Completeness of bid and agreement to points outlined in the Depository Application.
- Net rate of return on County funds.
- Convenience of location.
- No fee for early withdrawal on certificates of deposit.

Evaluation Process – Subdepository Bank(s) – Runnels County will award the Subdepository Bank(s) contract(s) based on, but not limited to, the following criteria:

- Ability to meet service requirements.
- Cost of banking services.
- Net rate of return on County funds.

Investments Made Outside Depository Banks – Runnels County reserves the right to make investments outside the Depository Bank in accordance with the Laws of the State of Texas and the Investment Policy of Runnels County and/or as a result of a court order.

Submitting Financial Statements – Banks wishing to be designated as the Depository Bank or a Subdepository Bank will include as part of the application the amount of the Bank’s paid up capital stock and permanent surplus on the date of the application. The Bank must also provide a Statement of Financial Condition along with their Bid Proposal.

Good Faith Guarantee – Bank must submit with the Bid Worksheet a certified cashier’s check in the amount of \$45,500.00 (one-half of one percent of the County’s revenue for the preceding year) payable to Runnels County as a guarantee of good faith. The County will hold the check until a Depository Bank is selected. The checks of unsuccessful bidders will be returned immediately after the bid is awarded, 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.

Good Faith Guarantee Not Applicable to Subdepository Banks – The Code does not require a Bank desiring to be designated as a Subdepository Bank to submit the above funds described under “Good Faith Guarantee”.

Pledged Collateral Securities – 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 Securities Pledge Contract provided for under Texas Local Government Code, Chapter 116, as the method of securing the funds of Runnels 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. Additions to or deletions from collateral must be approved by the Runnels County Treasurer. Pledged securities shall be the kind prescribed by law under Chapter 116 of the Code and must be acceptable to Runnels County. The following securities are acceptable to Runnels County:

- 1) U.S. Treasury Notes and Bills
- 2) Federal Farm Credit Banks Notes and Bonds
- 3) Federal Home Loan Bank Notes and Bonds and Letters of Credit
- 4) Federal National Mortgage Association Notes and Bonds
- 5) Federal Home Loan Mortgage Corporation Notes and Bonds
- 6) State of Texas Bonds
- 7) Bonds of City, County, and Independent School Districts located in Texas rated as to investment quality by a nationally recognized investment rating of 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 lawfully qualifying financial institution which is owned and operated independently of the 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.

Collateral Management – The collateral requirement must be monitored by the Depository Bank personnel on a daily basis. A detailed monthly collateral-to-deposit report is required. The report shall contain security descriptions, par value/current face and current market value.

Contact Person – Bank will specify an Officer of the Bank who will be responsible for overseeing Runnels County's entire relationship, who will serve as the County's primary contact and who would be able to make decisions regarding operational aspects of this contract.

Payment for Services – Bank will specify fees required for services. Banking services not detailed on worksheet will be mutually agreed upon.

Types of Banking Relationships – The Depository Bank will handle daily banking services including but not limited to, interest-bearing and non-interest-bearing checking accounts, savings accounts, and certificates of deposit. For monthly activity estimates for existing Runnels County accounts, see Appendix A. These estimates may vary during the duration of the contract. Runnels County may consider consolidating existing accounts into several concentration accounts.

The Subdepository Bank(s) will handle daily bank services for checking accounts for justice of the peace precincts and tax offices not located in Ballinger, Texas. These accounts are not to exceed the Federal Deposit Insurance Corporation's limit per account.

Interest Rate – Variable interest rate bids and/or fixed interest rate bids on accounts and certificates of deposit will be quoted by the Bank. Runnels County reserves the right to select the rate most favorable to the county at any time during the term of the contract, within the guidelines of the Code.

Disbursement Services – Depository Bank will furnish standard disbursing services for all accounts to include the payment of all County checks upon presentment. Bank must also agree to cash, without charge to the County or County employee, an employee's payroll check whether or not the employee has an account with the Bank.

Online Services – It is requested that as a part of the bid, the Depository Bank will provide a web-based communication link to the county for daily reporting on account balances, managing controlled disbursements, collected and ledger balances and detail debits and credits.

Statements – Monthly account statements will be provided with all corresponding check imaging (in numeric order), debit and credit memos, processed for all accounts. The statements will show the number of checks, deposits and deposit items posted, daily ledger balance for the month. Such statements shall be provided as requested by the Treasurer or other elected official.

Overdraft Provisions – Runnels County does not intend to have a net overdraft position occur during the course of this contract period. A net overdraft shall be defined as a negative balance in the County's accounts, collectively, not by individual account. In the event a check or checks shall be presented for payment where there are insufficient funds for the purpose of paying checks, the Depository Bank agrees to promptly notify the Treasurer, not exceeding one business day, to respond and rectify the condition.

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

Standard Deposit Services – The Bank must provide for acceptance of ACH credits and debits. The Bank must provide the ability to send wire transfers on an automated or manual basis and to provide the ability to receive wire transfers. The Bank must provide the ability to restrict outgoing wire transfers to only those authorized to do such transactions. The Bank will guarantee immediate credit on all wire transfers, ACH transactions and Government deposits upon receipts and all other checks based on the Bank's availability schedule. All deposits received before the Bank's established deadline will be credited tied to the availability schedule.

Expense Allowance – State the dollar amount, if any, that the Bank will be willing to provide for expenses incurred due to changing depository banks. (For example: checks, deposit slips, endorsement stamps, etc.)

APPENDIX A

Following is a list of Runnels County Accounts as of February 26, 2025

Average number of payroll checks monthly - 10
Average number of accounts payable checks monthly - 170

CHECKING ACCOUNTS

Treasurer-Financial Clearing	4,224,698.11	(interest bearing)
Payroll Account	4,294.76	(interest bearing)
County Attorney	8,059.89	(interest bearing)
County Clerk	6,292.50	(interest bearing)
County Clerk-Registry of the Court	600.00	
District Clerk	6,992.97	(interest bearing)
District Clerk-Registry of the Court	6,505.00	
District Clerk-Restitution	4,327.51	
Jail Commissary	17,539.46	(interest bearing)
Jail Commissary 2	6,636.12	(interest bearing)
Sheriff-Forfeiture Fund	730.12	
Sheriff-Seizure Account	1,200.99	
Grant Account	.00	
6.25% Motor Vehicle Tax	29,024.25	
Tax Collector-Registration	9,578.52	(interest bearing)
Tax Collector-Property Tax	1,414,972.42	(interest bearing)
Tax Collector-ACH Clearing	7,685.56	
Interest and Sinking	48,756.66	(interest bearing)
Justice of the Peace, Pct #1	<u>13,938.38</u>	(interest bearing)
	\$5,811,833.22	

SAVINGS ACCOUNTS-33

ITF District Clerk	6007.23	ITF District Clerk	787.06
ITF District Clerk	1836.82	ITF District Clerk	1983.03
ITF District Clerk	84.74	ITF District Clerk	4793.87
ITF District Clerk	1253.81	ITF District Clerk	862.73
ITF District Clerk	10505.65	ITF District Clerk	31614.41
ITF District Clerk	741.33	ITF District Clerk	4268.50
ITF District Clerk	12102.81	ITF District Clerk	4819.52
ITF District Clerk	235.31	ITF District Clerk	898.35
ITF District Clerk	465.01	ITF District Clerk	22818.76
ITF District Clerk	26.31	ITF District Clerk	22818.76
ITF District Clerk	3915.42	ITF District Clerk	6237.56
ITF District Clerk	3101.84	ITF District Clerk	14266.12
ITF District Clerk	893.12	ITF District Clerk	14266.12
ITF District Clerk	3017.03	ITF District Clerk	13878.37
ITF District Clerk	1248.66	ITF District Clerk	17159.55
ITF District Clerk	6288.51	ITF District Clerk	17159.55
ITF District Clerk	<u>401.49</u>		
	\$230757.35		

CERTIFICATES OF DEPOSIT

Treasurer	4,923,000.00
County Clerk-Registry of Court	<u>1,147.92</u>
	\$4,924,147.92

APPLICATION BID WORKSHEETS

PROPOSED DEPOSITORY OR SUBDEPOSITORY BANK: _____

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

Savings Accounts	Variable Interest Rate**	Fixed Interest Rate
	_____	_____

Comments _____

Certificates of Deposit – Fixed Interest Rate Proposed **

	Less than \$100,000	More than \$100,000
Maturity 7-29 days	_____ %	_____ %
Maturity 30-59 days	_____ %	_____ %
Maturity 60-89 days	_____ %	_____ %
Maturity 90-179 days	_____ %	_____ %
Maturity 180-364 days	_____ %	_____ %
Maturity 1 year or more	_____ %	_____ %

Certificates of Deposit – Variable Interest Rate Proposed **

	Less than \$100,000	More than \$100,000
Maturity 7-29 days	_____ % + _____ basis points	_____ % + _____ basis points
Maturity 30-59 days	_____ % + _____ basis points	_____ % + _____ basis points
Maturity 60-89 days	_____ % + _____ basis points	_____ % + _____ basis points
Maturity 90-179 days	_____ % + _____ basis points	_____ % + _____ basis points
Maturity 180-364 days	_____ % + _____ basis points	_____ % + _____ basis points
Maturity 1 year or more	_____ % + _____ basis points	_____ % + _____ basis points

Comments _____

** Variable rate = 26-week T-Bill rate as published in the Wall Street Journal on the day following the auction (+) Margin (based on basis points). Example: If 26-week T-Bill rate is 1.2% and basis points is .52, then the variable rate is 1.72%.

SERVICES PROVIDED:	YES	NO	DOLLAR AMOUNT OF FEE
16. Zero-Balance Accounts	_____	_____	_____
17. Safety Deposit Box	_____	_____	_____
18. Payroll Direct Deposit If the County chooses, the Bank will offer the capability of Direct Deposit Payroll processing.	_____	_____	_____
19. Positive Pay The Bank will provide a means for the County to upload disbursed check information that will be compared to checks that are presented to the bank for clearing.	_____	_____	_____
20. Short-term Financing	_____	_____	_____

Fixed Rate _____% Variable Rate _____%
Interest on loans will be calculated on a 360 day basis.

21. Additional Services and Charges

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

Service:	Fee per Unit
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

APPLICATION FOR MANAGING DEPOSITORY BANK

The paid up capital stock of the Bank is \$ _____,

and the permanent surplus of the Bank is \$ _____.

Good Faith Guarantee - A Certified or Cashier's Check for **\$ 45,500.00** (One half of 1% of the September 30, 2024 audited revenues of Runnels County) made payable to Runnels County accompanies this bid and is tendered under the terms of the law (Local Government Code, Section 116.023) and these specifications.

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

(Applying Depository Bank)

By: _____

APPLICATION FOR MANAGING SUBDEPOSITORY BANK

The paid up capital stock of the Bank is \$ _____,

and the permanent surplus of the Bank is \$ _____.

[Good Faith Guarantee check not applicable to Subdepository Banks]

Applying Subdepository Bank

By: _____

DEPOSITORY BANK AND SUBDEPOSITORY BANK(S) BID VALIDATION

Bank MUST complete the below information to validate the application bid for Depository Bank or Subdepository Bank.

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

If this application bid is awarded to proposer, it becomes a contract for the time period stated and all terms stated herein apply.

Name and address of Bank

Signature: _____

Name: _____

Title: _____

Telephone: _____

ALL UNSIGNED APPLICATIONS WILL BE DISQUALIFIED.