




May 9, 2017

FILED
TERRI ROSS
COUNTY CLERK
2017 MAY 31 AM 10:10
UPSHUR COUNTY, TX.
BY 
DEPUTY

Ms. Brandy Vick
Upshur County Treasurer
P. O. Box 730
Gilmer, Texas 75644

Re: Renewal of the depository contract 2017 - 2019

Dear Ms. Vick,

Thank you for your inquiry about renewing the existing depository contract for two more years. The effective dates would be June 1, 2017 through May 31, 2019. Austin Bank is willing to renew the depository contract with the same terms, rates and fees that are in place under the current contract.

We feel like we have established a good working relationship and would like to continue to work with Upshur County and its employees.

Thank you for giving us the opportunity to serve you and your staff for another two years.

Sincerely yours,



Thomas Smith
AVP, Relationship Manager



Suzanne Fuller
Retail Office Manager

RECEIVED

MAY 11 2017

**UPSHUR COUNTY
TREASURER'S OFFICE**



**UPSHUR COUNTY, TEXAS
DEPOSITORY CONTRACT**

JUNE 01, 2015 – MAY 31, 2017

FILED
COUNTY CLERK

2015 MAY 15 AM 9:39

UPSHUR COUNTY, TX.
BY *[Signature]*
DEPUTY

WHEREAS, the Commissioner's Court of Upshur County, Texas has published notices asking that sealed bids be submitted preparatory to the selection by the Commissioner's 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 Commissioner's Court should be the Depository for County funds, money collected and held by any district, county or precinct officer and funds belonging to any district or other municipal subdivision not selecting its own depository, as required under Paragraph (a) of Article 2549, and that the amount of such monies for which the depository should furnish security are approximately:

Funds belonging to Upshur County, which shall also cover the funds deposited by all offices of the County, up to \$12,500,000.00. (This includes Permanent and Available School Funds, Trust and Agency Funds in the County and District Clerk Offices for investments.)

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UPSHUR COUNTY, TX.
BY *[Signature]*
DEPUTY

WHEREAS, Austin Bank of Gilmer, Texas a national banking corporation domiciled in the City of Gilmer, Upshur County, Texas submitted its written bid in response to said notice, which was received by said Commissioner's Court and entered upon its Minutes; and said Commissioner's Court by this order has accepted the bid of Austin Bank, on April 30, 2015, designated said Austin Bank as County Depository and as the Depository for the funds herein above mentioned and

WHEREAS, said Austin Bank, which for brevity is hereinafter sometimes referred to as Bank and sometimes as Depository, hereby accepts said designation as the depository for the public funds herein above mentioned and agrees to serve as such until sixty (60) days after the time fixed by law for the next selection of a depository, which statutory time is presently June 1, 2017, or until such time as a new bank has qualified as County Depository, whichever should sooner occur. Austin Bank desires to qualify as such depository by pledging, with the Commissioner's Court, securities in the amount provided by law under Article 2547 (c), but limited to United States Government bonds, notes, and bills, United States

Agencies, Federal Housing Authority bonds, Farmer's Home Administration notes, Federal National Mortgage Association bonds, and Municipal Securities bearing Moody's A or better rating. Such securities so pledged shall be deposited in Trust with TIB Independent Bankers Bank without expense to the County under an appropriate contract to be drawn conformably to the requirements of the Depository Law and in accordance with this contract. The amount of securities so pledged shall be determined by their market value.

NOW, THEREFORE, in consideration of the premises, and for the purposes and upon the conditions herein stated, Austin Bank does hereby assign to and pledge with Upshur County and the Commissioner's Court thereof security as follows:

See attached schedules of securities, said securities being of kind and character authorized to be thus pledged by paragraph (c) of Article 2547 of the Revised Civil Statutes of Texas as amended by the Legislature of said State, but limit to the kind and character stated herein. Austin Bank as such Depository hereby acknowledges itself duly and firmly bound for the faithful performance of all of the duties and obligations devolving by law upon it as such Depository; that all funds deposited with it as Depository and accounted for according to law; that with respect to the funds belonging to the County, or under its jurisdiction and control, it will pay upon presentation all checks and drafts drawn on said Depository by the County Treasurer of said County, when sufficient funds are on deposit therewith.

When the securities pledged hereunder shall be in excess of the amount required under the provisions of Article 2547 and other pertinent statutes, the Commissioner's Court shall permit the release of such excess. When the funds on deposit with said Depository Bank shall for any reason increase beyond the amount of security provided, said Bank shall immediately pledge additional securities to the Commissioner's Court hereunder to the end that securities pledged shall at no time be less than the total amount of funds on deposit in the Depository Bank and covered by this Depository Contract. The Bank shall have the right of substituting other securities for those herewith pledged, or any part thereof, provided the securities substituted meet the requirements of the law and this contract and are approved by the Commissioner's Court. The pledge of securities therein mentioned is for the purpose of securing the faithful performance by said Bank of its duties as Depository as herein set forth. A monthly statement listing securities and their market value shall be submitted to the County Treasurer upon request.

In keeping with the bid proposal filed by the Bank with the Commissioner's Court, the Bank agrees to:

Pay interest on "Demand Deposits"/Transaction Accounts of the County, to the extent permitted by applicable laws and regulations on any accounts with any balance, interest will be paid at a variable rate based on the current 91-Day U.S. Treasury Bill Auction asked yield ~~less: 35%~~ for Money Market Deposit and Checking Accounts. NOW Checking Accounts will be based on the 91-Day U.S. Treasury Bill Auction asked yield ~~less: 40%~~. Trust Fund Savings Accounts will be based on the 91-Day U.S. Treasury Bill Auction asked yield ~~less: 45%~~. Should banking regulations permit obligation during the life of this contract, we will be so bound.

Bank statements will be picked up on a weekly basis, and interest will be computed and paid on a monthly basis for all accounts, Upshur County Operating Account, Upshur County Insurance Account, Upshur County Payroll Clearing Account, Upshur County IRC/125 Account and any new accounts for the Upshur County Treasurer. All other existing accounts held by other Upshur County Departments with any balance, interest and bank statements will be computed and paid on the last day of the month.

The Bank reserves the right to require seven (7) days notice prior to withdrawal or transfer of funds from these "Demand Deposits"/Transaction Accounts. The Bank also agrees to pay interest on the "Time Deposits". To the extent permitted by applicable laws and regulations, interest on each time deposit will be paid at the following per annum rates, computed on the basis of a three hundred sixty five (365) day year and paid to the County on any schedule specified by the County so long as the method specified is permitted under applicable laws and regulations:

DEPOSITORY BANK CERTIFICATES OF DEPOSIT

VARIABLE AND FIXED RATE QUOTES:

	<u>Variable Interested Rate</u>	<u>Fixed Int. Rate</u>	<u>Minimum Balance</u>
First Class Checking			
Money Market Deposit Account:	<u>(1) SEE BELOW</u>	<u>0.25%</u>	<u>\$1,000.00</u>
Super Now			

	<u>Variable Interested Rate</u>	<u>Fixed Int. Rate</u>	<u>Minimum Balance</u>
Money Market Checking Account:	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Now Checking Account:	<u>(2) SEE BELOW</u>	<u>0.15%</u>	<u>\$1,500.00</u>

AUSTIN BANK: (1) THE VARIABLE INTEREST RATE FOR THE MMDA WILL BE AT A RATE OF INTEREST EQUAL TO THE AVERAGE OF THE DISCOUNT RATE OF THE PRIOR MONTH'S AUCTION OF THE 91-DAY T-BILL LESS 1.75%, CURRENTLY FLOORED AT 0.25%, AND CHARGED MONTHLY ON THE FIRST BUSINESS DAY OF THE MONTH.

AUSTIN BANK: (2) THE VARIABLE INTEREST RATE FOR THE NOW ACCOUNT WILL BE A RATE OF INTEREST EQUAL TO THE AVERAGE OF THE DISCOUNT RATE OF THE PRIOR MONTH'S AUCTION OF THE 91-DAY T-BILL LESS 2.00%, CURRENTLY FLOORED AT 0.15%, AND CHANGED MONTHLY ON THE FIRST BUSINESS DAY OF THE MONTH.

CERTIFICATED OF DEPOST – FIXED INTEREST RATE:

	<u>Less than \$100,000.00</u>	<u>More than \$100,000.00</u>
1. Maturity 1-29 days	<u>0.15%</u>	<u>0.20%</u>
2. Maturity 30-59 days	<u>0.15%</u>	<u>0.20%</u>
3. Maturity 60-89 days	<u>0.15%</u>	<u>0.20%</u>
4. Maturity 90-179 days	<u>0.15%</u>	<u>0.25%</u>
5. Maturity 180-364 days	<u>0.15%</u>	<u>0.30%</u>
6. Maturity 365+ days	<u>0.15%</u>	<u>0.35%</u>

CERTIFICATE OF DEPOSIT – VARIABLE INTEREST RATE: (A)

	<u>Less than \$100,000.00</u>	<u>More than \$100,000.00</u>
1. Maturity 1-29 days	<u>-0.35%</u>	<u>-0.10%</u>
2. Maturity 30-59 days	<u>-0.25%</u>	<u>0.00%</u>
3. Maturity 60-89 days	<u>-0.20%</u>	<u>+0.05%</u>

	<u>Less than \$100,000.00</u>	<u>More than \$100,000.00</u>
4. Maturity 90-179 days	<u>-0.20%</u>	<u>+0.05%</u>
5. Maturity 180-364 days	<u>-0.15%</u>	<u>+0.10%</u>
6. Maturity 365+ days	<u>-0.15%</u>	<u>+0.10%</u>

AUSTIN BANK: (A) THE RATE BID IS BASIS POINTS OVER OR UNDER THE "ASK" QUOTE AS PUBLISHED IN THE WALL STREET JOURNAL ON THE DAY OF DEPOSIT FOR THE U.S. TREASURY BILL OR NOTE MATURING ON, OR IMMEDIATELY PRIOR TO, THE MATURING DATE OF THE CERTIFICATE.

If the County elects to name the Bank as paying agent on County Bonds, the Bank agrees to serve as paying agent on such bonds and interest coupons without charge.

All Trust-Fund Accounts held by the Upshur County Clerk, District Clerk, and all Available and Permanent School Fund Accounts for Upshur County as bid under Section II & III are also considered under this contract.

The Bank will handle any and all deficiency warrants as may be issued by Upshur County, when presented to said Bank for payment, until the date payment is made by the Treasurer of Upshur County. County indebtedness may be transferred, at no additional charge, to designated Depository with interest charged at Prime Rate as published in the WALL STREET JOURNAL. Interest rated on new borrowing will be 70% of the posted Prime Rate in the Wall Street Journal.

The Bank agrees to the following charges/terms as per the bid submitted the Bank:

The Bank agrees to pledge a maximum of \$12,500,000.00 as collateral.

Stop payments will not be accepted orally, but made in person by the Treasurer or an assignee in written form at a cost of \$30.00 per stop payment or through AustinNet Treasury Management at a cost of \$30.00 per stop payment. The Bank will require stop payments be placed on each item the County wishes not to be paid. No Stale Dated list of checks will be accepted by the Bank.

The Bank will provide the County with Payroll Direct Deposit for all employees to which ever bank they use at a fee of \$25.00 per month and \$0.15 per transaction.

Wire Transfer services will be \$20.00 per transaction (outgoing).

ACH Transactions are free for the 5, then \$5.00 per transaction after that.

Coin counting and wrapping of all change and currency wrappers will be at no charge.

There is no charge for Cashiers Checks.

Austin Bank will furnish front and back optical imaging for checks and deposit slips at no charge for on-line services or \$35.00 per CD.

Should Upshur County consider credit card payments, this would be with Austin Bank. Pricing would be reviewed and information would be provided by the Bank.

The Depository Bank will credit all cash, check, money orders, etc., directly to the account of Upshur County on the day of deposit by Upshur County at no charge.

The Commissioner's Court reserves the right to direct the County Treasurer to withdraw any amount of funds of the county that are deposited in the County Depository and that are not required immediately to pay obligations of the County, and invest those funds in direct debt securities of the United States.

If Austin Bank shall faithfully do and perform all the duties and obligations devolving on it by law as the County Depository of Upshur County, and shall upon presentation pay checks drawn on it by the County Treasurer of Upshur County, Texas on "Demand Deposits"/Transaction Accounts in such Depository, and shall faithfully keep said County funds, and accounts in such Depository, and shall account for same according to law, and account for all funds belonging to the County which are deposited with it under the requirements of Article 2547, Vernon's Annotated Revised Civil Statutes, and shall include State Funds collected, and shall pay the interest at the rate herein above stipulated on the "Time Deposits and Demand Deposits", and shall at the expiration of the term for which it has been chosen, turn over to its successor all the funds, property, and other things of value coming into its hands as Depository, then and in that event this Contract is to be and becomes null and void and the securities above shall be returned to the pledger. Should Austin Bank default in the payment of any checks properly drawn upon it, or default in the payment of any "Time Deposit", "Demand Deposit", or any other account upon proper presentation, providing such account or accounts be not overdrawn, or otherwise default in the performance of any obligation or duty of the Bank under Texas Statutory Law or under the terms of the Depository Contract, then in such event, County shall have all the rights and duties of a "Secured Creditor" under Chapter 9 of the Business and Commerce Code of Texas Civil Statutes and other rights it may have under law.

Any suit arising out of or in any way connected with the Contract shall be tried in the County of Upshur and State of Texas in any Court therein having jurisdiction of the subject matter thereof.

FURTHERMORE, the pledge of the securities there under shall extend to cover and secure all funds of governmental agencies authorized by law to be collected by the County Tax Collector, which he/she may collect and deposit as authorized by law with the Bank as County Depository.

Upshur 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 Upshur County. The Depository Bank must be able to provide the necessary wire transfer service and third party safe-keeping of outside purchased securities by Upshur County either at the Depository Bank, or a third Party Financial Institution, or with a Federal Reserve Bank. All investment purchases of Government Securities shall be made on a delivery versus payment basis.

IN TESTIMONY WHEREOF, witness the signature of the Austin Bank of Gilmer, Texas on this the 15th day of May, 2015, acting by and through its officers, who are hereunto duly authorized by resolution of the Bank's Board of Directors, and of Upshur County, acting by and through its Commissioner's Court, and pursuant to order of said Commissioner's Court dated the 15th day of May 2015.

AUSTIN BANK

Thomas M. B.
ASSISTANT VICE PRESIDENT

ATTEST

[Signature]
RETAIL OFFICE MANAGER

(SEAL)

FILED
TERRI ROSS
COUNTY CLERK
2017 MAY 31 AM 10:10
BY *[Signature]*
UPSHUR COUNTY, TX.
DEPUTY

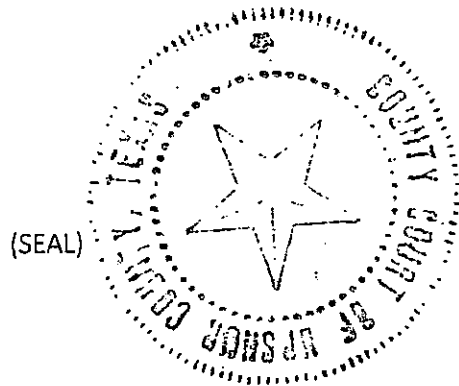
UPSHUR COUNTY

[Signature]
COUNTY JUDGE

Terri Ross
COUNTY CLERK

Paula Bentry
COMMISSIONER, PRECINCT NO. 1

[Signature]
COMMISSIONER, PRECINCT NO. 2



(SEAL)

COMMISSIONER, PRECINCT NO. 3

COMMISSIONER, PRECINCT NO. 4

FILED
COUNTY CLERK
2015 MAY 15 AM 9:40
BY *[Signature]*
UPSHUR COUNTY, TX.
DEPUTY