

City of Keller, Texas



Primary Depository Services - RFA# 22-004 Analysis

February 8, 2022	Frost Bank (Incumbent)	First Financial Bank, N.A.	Wells Fargo Bank, N.A.
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- Evaluation Criteria**
- 1 Ability to perform and provide the required and requested services;
 - 2 References provided and quality of services;
 - 3 Cost of services;
 - 4 Transition cost, retention and transition offers and incentives;
 - 5 Interest paid on interest bearing accounts and deposits;
 - 6 Earnings credit rate on compensating balances;
 - 7 Previous service relationship with the City;
 - 8 Convenience of location(s);
 - 9 Completeness of application and contract to points outlined in the RFA; and
 - 10 Financial strength and stability of the institution.

DETAIL RESPONSE ANALYSIS OF DEPOSITORY SERVICES

Expected Depository Services			
	Online Banking Portal		
1	Online Reporting Services	Yes	Yes
2	Wire Transfers	Yes	Yes
3	ACH	Yes	Yes
4	Stop Payments - Term of Initial Stop Automatic Renewal Offered (Y/N)	Manual 6 mo, Online 12 Mo, No Auto Renewal	180 Days via Online Banking, No Auto Renewal
5	Historical Information Retention (90 days, 180, 1 Year, Other)	18 mo	6 Months Auto Renewal - Yes in 12 mo increments
6	Online Banking Administration	Self Administration	Choice of up to 120 Calendar days
7	Mobile App Functionality	No Mobile App	S/A for add/del users and access to view. Add'l services req a signed form
		Full Functionality	Self Administration
		Full Functionality	Full Functionality

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8	Alert/Messaging System	At No Cost	At No Cost	\$0.50 per message per device
9	Electronic Data Interchange (EDI)	Yes	Yes	Yes
10	Paid Check Image Options	Via Statements and online; No PDF Available to download	Via all listed options	Via online image inquiry and downloadable pdf file
Collections				
1	Returned Check Processing	Yes	Yes	Yes
2	Consumer Bill Pay Processing / E-Lockbox <small>Converts Met, Ckfree etc.. to one file</small>	No	Yes using Remit Plus	Yes
3	Cash Vault	Yes - Fort Worth	Yes location?	Yes - Dallas
4	Lockbox Processing	Yes	Yes; Incorporates Remit Plus	Yes
Disbursements				
1	Controlled Disbursement Account	Yes	No, with possible alternative solution ? Solution	Yes
2	Zero Balance Account	Yes	Yes	Yes
3	Employee Check Cashing	Yes	Yes	Yes
4	Pay Cards for Payroll	Yes	Yes, at NC to employee or City	No, with possible alternative solution
Fraud Protection Services				
1	Positive Pay and Account Reconciliation	Yes	Yes	Yes
2	Automatic Stale Dating of Checks	No	Yes, through Positive Pay Module	Yes
3	Post No Checks <small>setting for non checks to be written on certain accts.</small>	Yes	No; Use Positive Pay	Yes
4	ACH Positive Pay / ACH Fraud Filter	Yes	Yes	Yes
Miscellaneous				
1	Account Statements	Yes	Yes	Yes
2	Account Analysis	Yes	Yes	Yes
3	Payment For Services and Quarterly Account Settlement	Yes	Yes - Hybrid account will settle monthly ?	Yes

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4	Balance Assessment	Passed in full to City at 0.15% annualized	Passed in full to City at 0.03% annualized	Passed in full to City at 0.15% annualized
5	Reserve Requirement	No	Yes - 10%	No
6	Earnings Credit Rate / Formula / Rate Floor	0.15% Tiered / Bank Managed - Annual Review 0.15% < \$2.5M 0.20% > \$2.5M / No Floor	0.50% / Indexed to prior month 91 Day Avg T-bill, Floor 0.50% Cap 1.00%	0.30%, Bank Managed No Floor
7	Interest Rate Option / Formula / Rate Floor	Tiered / Bank Managed / MMSA 0.01% < \$250K 0.02% > \$250K / No Floor	0.0485%, Prior month 91 Day Avg T-bill, No Floor Hybrid Interest Bearing Acct	0.16%, Bank Managed, Standard Interest Bearing DDA, No Floor
Safekeeping of City Owned Securities				
1	Provide Safekeeping Services to the City	Yes	Marked "No", but comment indicates they do offer it through Frost.	Yes
Services Under Consideration				
1	Remote Deposit Capture	Yes	Yes	Yes w/2 free scanners
2	Smart Safe Through armored car service, use with remote capture	Yes - but no Coins / Charge \$250 per month	Yes w/Loomis	Yes

Perform a cash/check analysis

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Incentives/Enhancements Offered				
1	Tamperproof Deposit Bags at No Cost	Yes - using Frost vendor	Yes; 6 Locking Bank Bags	\$5,000 allowance for Supplies
2	Endorsement Stamps & Other Supplies at No Cost	Yes for endorsement stamps; No for Deposit Slips	Yes for Deposit Slips at NC. No Endorsement Stamps	
3	Remote Deposit Scanners - Offered at No Cost	No	No	No
4	Courier or Armored Car Services - Passed in Full; billed through AA	Passed in full through AA	No	Passed in full through AA
5	Incentive Fee Waiver - Zero Pricing / Net Fee Waiver / No Waiver Offered	Net fees for first 3 months	No Fee Waiver	Net fees up to \$35,000
6	Cash Transition/Retention Offer	None	None	None
Other Stipulations				
1	Right to Cancel Under Federal or State Law Rulings	Agreed	Agreed	Conditional
2	Right to Open and Maintain Other Accounts	Agreed	Agreed	Agreed
3	Certificates of Deposit	Agreed	Agreed	Conditional
4	Right To Terminate	Agreed	Agreed	Conditional
5	Terms Fixed for Initial Term and Extensions	Agreed	Agreed	Initial Term, then negotiable
6	Semi-Annual Meeting	Agreed	Agreed	Agreed
7	Formal Agreement Required	Agreed	Agreed	Negotiate mutually acceptable agreements
8	Net Overdraft Defined - Collective Balances	No - Individual Account	No - Individual Account	No - Individual Account
9	Overdraft Notification	Agreed	Agreed	Bank Discretion
10	Research	Agreed	Agreed	Agreed
11	Bank Errors	Agreed	Agreed	Agreed
12	Audit Confirmations Provided to City Auditors at No Cost	Agreed	Agreed	Agreed
13	One Relationship Officer	Jeff Salavarría, Senior VP, 817.420.5108	Mark Jones, President, 817.410.2928	Oscar Hernandez-Lugo, GRM, 469.498.6590

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Collateral Requirements				
1	Collateral Amount	Yes	Yes	Yes
2	Collateral Custody - Custodian	Yes - BNYM	Yes - Frost Bank	Yes - BNYM
3	Letters of Credit or Pledged Securities	Pledged Securities	Pledged Securities	Pledged Securities
	If Pledging Securities:			
4	Ledger Balance - Same Day v Prior Day Balances	Yes	Yes	No - Prior Day ending collected balance
5	Collateral Substitution	Prior Authorization	Prior Authorization	No Prior Consent
6	Collateral Reductions	Prior Authorization	Prior Authorization	No Prior Consent
7	Collateral Report	Yes	Yes	Yes
8	Online Reporting	Yes	No	Yes
9	Board Resolution	Yes	Yes	Yes
Complete Application Checklist				
1	Account Analysis - pro-forma	Provided	Provided	Provided
2	Sample Collateral Agreement	Provided	Provided	Provided
3	Sample Safekeeping Agreement	Provided	Provided	Provided
4	Sample Safekeeping Report	Provided	Provided	Provided
5	Securities Safekeeping Fees	Provided	Provided	Provided
6	References	Provided	Provided	Provided
7	Sample FIRREA Compliant Document	Provided	Provided	Provided
8	Completed and Signed Disclosures	Provided	Provided	Provided
9	Completed and Signed Application Submitted By Form	Provided	PDF not signed	Provided
10	Exceptions To RFA Requirements	Provided	None	Provided
Other Considerations				
*	VERIBANC Ratings - Source www.veribanc.com Rating Effective Date 1/28/22; Quarter Ending Date 9/30/21; Data Release Date 12/3/2021 *VERIBANC rating and or Blue Ribbon designation cannot be republished, redistributed or otherwise made known without VERIBANC'S expressed written permission.	Green / *** / BB	Green / *** / BB	Green / *

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FEE ANALYSIS OF DEPOSITORY SERVICES			
Projected Bank Balance	1,293,914	1,293,914	1,293,914
Proposed Fees - Banking Services			
Current Services Fee Estimate	(3,976)	(4,681)	(5,478)
MEMO Balance Assessment Fee	165	32	165
Number of months of NET fee waiver	3	Not offered	12
Maximum waiver amount allowed	N/A		35,000
Actual months available for waiver after factoring in cap	3		6.79
Amount of NET Fees Waived per month	3,814		5,154
Amount of NET Fees Waived	11,443		35,000
Fees for Three Year Term after waivers	(131,697)	(168,526)	(162,203)
Fees for Five Year Term after waivers	(227,123)	(280,876)	(293,671)
Earnings Credit			
Earnings Credit Rate	0.15%	0.50%	0.30%
Rate Basis	0.15% Tiered / Bank Manged - Annual Review 0.15% < \$2.5M 0.20% > \$2.5M / No Floor	0.50% / Indexed to prior month 91 Day Avg T-bill, Floor 0.50% Cap 1.00%	0.30%, Bank Managed No Floor
Reserve Requirement	0.00%	0.10%	0.00%
Balance Required to offset all fees	31,808,880	11,235,035	21,911,413
Target DDA Compensating Balance	1,293,914	1,293,914	1,293,914
Monthly Earnings Credit less Reserve	162	539	323
Earnings Credit for Three Year Term	5,823	19,389	11,645
Earnings Credit for Five Year Term	9,704	32,316	19,409
Net Fees for Three Year Term	(125,874)	(149,136)	(150,557)
Net Fees for Five Year Term	(217,419)	(248,560)	(274,262)

February 8, 2022	Frost Bank (Incumbent)	First Financial Bank, N.A.	Wells Fargo Bank, N.A.
Interest Income Estimate			
Investment Option	Money Market Savings Account	Hybrid IB Checking	Standard Interest Bearing DDA
Rate Basis	Tiered / Bank Managed / MMSA 0.01% < \$250K 0.02% > \$250K / No Floor	0.0485%, Prior month 91 Day Avg T-bill, No Floor Hybrid Interest Bearing Acct	0.16%, Bank Managed, Standard Interest Bearing DDA, No Floor
Interest Rate	0.02%	0.0485%	0.16%
Monthly Investment fees if applicable		5	
Investment Balance	0	0	0
Monthly Investment Income	0	0	0
Three Year Investment Income	0	0	0
Five Year Investment Income	0	0	0
Three Year Income/(Cost)	(125,874)	(149,136)	(150,557)
Five Year Income/(Cost)	(217,419)	(248,560)	(274,262)
Contract Incentives			
Tamperproof Deposit Bags at No Cost	Provided at NC using Frost Vendor	6 Locking Bags	5,000
Endorsement Stamps & Other Supplies at No Cost	Provided at NC	Deposit Slips Only	
Remote Deposit Scanners	None	None	None
Cash Transition/Retention Offer	None	None	None
			1,500 set up fees
Three Year Income/(Cost) with Contract Incentives	(125,874)	(149,136)	(145,557)
Five Year Income/(Cost) with Contract Incentives	(217,419)	(248,560)	(269,262)