

HOUSTON COUNTY

DEPOSITORY BID INSTRUCTIONS

HOUSTON COUNTY, TEXAS
JIM LOVELL, COUNTY JUDGE
401 E. GOLIAD, STE 201, CROCKETT, TX 75835
936-544-3255 X 224 – FAX-936-544-8053



BID NUMBER: 2025-DEP

INVITATION TO BID

ITEM: DEPOSITORY CONTRACT

DEADLINE: May 8, 2025 @ 10:00 am
Date of Opening: May 8, 2025 @ 10:05 am

Location: Houston County Judge's Office – County Annex Building
401 E. Goliad, Ste 201, Crockett, TX 75835

Date of Award: May 13, 2025 @ 9:00 am
Location: Houston County Commissioners Court Room
401 E Goliad, Crockett, TX 75835

Period of Contract: August 1, 2025 through July 31, 2029

Houston County's intent of this Bid Request and resulting contract is to obtain bids for bank depository services.

1. Bids must be received in the office of JIM LOVELL, HOUSTON COUNTY JUDGE, located at 401 E GOLIAD, STE 201 (County Annex Building, 2nd Floor), no later than 10:00 A.M. on MAY 8, 2025. **Late proposals received after submission deadline shall be returned unopened and will be considered void and unacceptable.** Houston County is not responsible for lateness of mail, carrier, etc.
2. Bids shall include all required documents. Each original bid and all required copies shall be placed in a sealed envelope, manually signed in ink by a person having the authority to bind the bank in a contract and marked clearly on the outside. Facsimile and or e-mail transmittals shall not be accepted.
3. Bids shall include a certified cashier's check in the amount listed in the Specifications for Bid.

4. Any alteration or erasure made before receiving time must be initialed by the signer of the bid, guaranteeing authenticity.
5. Bids may be withdrawn at any time prior to the official opening.
6. The Commissioners' Court of Houston County shall at its regular meeting on May 13, 2025, enter into the minutes of the court all applications filed with the County Judge, consider all applications and select the qualified applicant that offers the most favorable terms and conditions for the handling of the County funds. All Bidders, their representatives and interested persons may be present.
7. It is understood that Houston County reserves the right to accept or reject any and/or all bids as it shall deem to be in the best interest of Houston County. Receipt of any bid shall under no circumstances obligate Houston County to accept the lowest bid. The award of the contract shall be made to the responsible bidder whose proposal is determined to be the lowest and best evaluated offer for the County.
8. Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of Houston County no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed as defined in 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. A copy of the law is available at: <http://www.statutes.legis.state.tx.us/Docs/LG/htm>. The forms for reporting are available at: http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm

By submitting a response to this request, the vendor represents that it is in compliance with the requirements.

2025 DEPOSITORY BANK SELECTION TIMETABLE

Tuesday, March 25, 2025	Commissioners Court authorizes advertisement for depository bid.
Thursday, March 27, 2025	Depository Bids advertised; Posted on Courthouse door
Thursday, April 3, 2025	Depository Bids advertised
Thursday, April 10, 2025	Depository Bids advertised
Thursday, May 8, 2025	County Judge's office receives Bid Proposals 10:00 am
Friday, May 9, 2025	Investment Committee to Review Proposals for recommendation
Tuesday, May 13, 2025	Selection of County Depository 9:00 a.m.
Wednesday, May 14, 2025	Qualification of County Depository
Tuesday, May 27, 2025	Approval of Bank Security by Commissioners' Court

Houston County, Texas

Application for County Depository Contract

Two copies of all proposal documents shall be sealed and submitted as offeror's response not later than 10:00 am, Thursday, May 8, 2025 to:

Houston County Judge
Jim Lovell
401 East Goliad, Ste 201
Crockett, TX 75835

Please mark sealed envelope: Depository Contract Bid

Texas State Law (Local Government Code, Section 116.023) provides that a bank in the County wanting to be designated a county depository must deliver an application to the County Judge, in which the application must state the amount of the bank's paid-up capital stock and permanent surplus, and must be accompanied by: (1) a statement showing the financial condition of the bank on the date of the application; and (2) a certified check for at least one-half percent of the County's revenue for the preceding year.

For this application to be considered by the Commissioners Court, the applicant must attach the required statements mentioned above and a certified check in the amount of \$84,140.79, representing one-half of one percent of the County's revenue for the preceding year, payable to Jim Lovell, Houston County Judge.

The certified check that accompanies an application is a good-faith guarantee on the part of the applicant that if selected as a county depository it will within fifteen (15) days of such selection provide security for the funds to be deposited by the County with the bank. If a bank is selected as a depository and does not provide the security required, the County shall retain the amount of the check as liquidated damages, and the County Judge will re-advertise for applications, if necessary, to obtain a depository for the County. Upon selecting a depository or depositories, the Commissioners Court shall immediately return the checks

of unsuccessful applicants. The check of a successful applicant shall be returned when the applicant provides security for the funds as required by law and approved by Commissioners Court.

In accordance with Local Government Code Section 116.051(2), a bank selected as a depository agrees to provide, within fifteen (15) days, investment securities or interests in them as provided by Article 2529-1, V.T.C.S. Such securities so pledged shall be deposited in trust with a bank other than the depository, and the safekeeping receipts shall be delivered to the County Auditor of Houston County. The amount of securities which must be pledged shall be determined by the market value of the securities, and must be in an amount equal to the amount of county funds on deposit in a depository. The depository bank shall furnish the County with a monthly report of the current market value of the securities pledged.

If the securities pledged by a depository to secure county funds exceed the amount required, the Commissioners Court shall permit the release of the excess. If for any reason the County funds on deposit with the county depository exceed the amount of security pledged, the depository shall immediately pledge additional security with the Commissioners Court.

After reasonable notice to the Commissioners Court, a depository is entitled to substitute one type of security for another or replace particular securities with other of the same type if the substituting or replacing security meets the requirements of law and is approved by the Commissioners Court.

The Commissioners Court of Houston County, Texas 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 as provided by Section 116.112 (Local Government Code.) However, local investments through the depository bank will be considered if the rate of exchange is competitive.

As the law provides, the Commissioners Court shall consider all qualified applications and select the qualified applicants that offer the most favorable terms and conditions for the handling of county funds. As is also provided by law, the Commissioners Court may reject

those applications whose management or condition, in the opinion of the Commissioners Court, does not warrant placing county funds in their possession.

Through the competitive nature of this application process, the Commissioners Court of Houston County, Texas expects to reach a contractual relationship which will provide for all services that are required by the County at a cost which is as advantageous as possible to the County and its taxpayers. All applicants are required to provide their proposals in the format represented by this application form. In addition to the information required as stated above and the information requested hereinafter, applicants are encouraged to offer any additional services or alternative approaches which could further enhance the County's operations or financial conditions.

The Commissioners Court of Houston County, Texas reserves the right to enter into a four-year contract. If the contract is for a four-year contract term, under Section 116.021 (Local Government Code) the contract shall allow the bank to establish, on the basis of negotiations with the County, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract if: (1) the new financial terms do not increase the prices to the County by more than five percent; and (2) the County has the option to choose to use the initial interest rate option or to change to the new fixed or variable interest rate options proposed by the bank. On expiration of the initial four-year contract term, this contract may be renewed for two years under terms negotiated by the County and the bank.

Attachment A summarizes the accounts Houston County, Texas handled in the preceding year, the latest bank reconciliations for all accounts, investment details and current debt report. In providing such information, the County makes no representation that the County's 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.

Attachment B is the Houston County Investment Policy.

The following information is requested from all applicants:

HOUSTON COUNTY
APPLICATION FOR DEPOSITORY CONTRACT

The _____ of _____ County, Texas, a banking corporation, duly incorporated under the laws of the State of Texas, with its domicile and principal place of business being located in the City of _____, _____ County, Texas, hereby makes application to be designated by the Commissioners Court at their regular meeting on the 13th day of May, 2015, as County Depository for the registry funds of County and District Courts, third party funds held by other County officials and County general funds.

Depository for Houston County, Texas, in support of this application will meet the following requirements:

- 1) The amount of paid up capital stock of said bank is \$_____, and the amount of permanent surplus is \$_____.
- 2) A statement showing the financial condition of applicant bank at the date of this application is being furnished and is made a part hereof for all purposes.
- 3) Applicant bank offers the following terms and conditions for transactions/processing activities including deposits and checks.

	<u>YES</u>	<u>NO</u>	<u>FEE</u>
a. Will bidder furnish wire transfer service?			
b. Will bidder charge service fee on any County accounts?			
c. Will bidder furnish the following:			
1. Deposit slips			
2. Deposit books			
3. Endorsement stamps			
4. Night depository services (including bags & keys)			
5. Postage and envelopes for bank-by-mail use			
6. Coin counting and wrapping of all change			
7. Safe deposit boxes of adequate size and number			
8. Will bidder charge for stop payments			
9. Furnish cashier's checks as needed at no charge			
10. Furnish County with collection and exchange services			
11. Charge for accounts overdrawn for short periods of time			
12. Furnish all checks necessary			
13. Provide direct deposit option for County employees			
14. Provide on-line banking			

4) Applicant bank offers the following terms and conditions for investment/borrowing functions:

a. Applicant bank agrees to extend credit for maturities of one year or less.

i. State fixed rate, if applicable: _____

ii. State variable rate, if applicable: _____

b. Applicant bank agrees to accept Savings Accounts in any amount, subject to withdrawal at any time. Interest rate to be _____% per annum, compounded quarterly.

c. Applicant bank agrees to the use of Money Market Deposit Accounts:

Yes_____ No_____

i. If yes,

1. Minimum deposit required: _____

2. State fixed rate, if applicable: _____

3. State variable rate, if applicable: _____

d. Applicant bank agrees to the use of Money Market Checking Accounts:

Yes _____ No _____

i. If yes,

1. Minimum deposit required: _____

2. State fixed rate, if applicable: _____

3. State variable rate, if applicable: _____

e. Applicant bank agrees to pay the following rates of interest on various
Certificates of Deposit:

i. Certificates of Deposit of \$100,000.00 or more with a 7-day to 365-
day maturity:

1. Will pay the U.S. Treasury Bill yield at a rate of _____ or
the bank rate, whichever is higher on deposit.

ii. Certificates of Deposit below \$100,000.00 with a 32-day to 365-day
maturity:

1. Will pay the U.S. Treasury Bill yield at a rate of _____ or
the bank rate, whichever is higher on deposit.

f. The bank agrees to waive the penalties for early withdrawal of a Certificate
of Deposit if the County needs to cash before maturity.

g. The County will have the right to invest any and all funds as permitted under
Local Government Code and/or Article 842.(a-2) Civil of Texas, known as
the Public Funds Investment Act.

5. Financial Strength of Applicant

As an aid in determining the financial strength of the institutions applying to be
designated as depository for the County's public funds, the following information is requested
from applicant institutions. Please provide the ratios indicated for the two most recent years.

						2023		2024
Return on Assets								
Loan loss Reserve to Total Loans								
Residential Real Estate Loans to Total Loans								
Problem Loans to Total Loans								
Net Interest Spread (Gross Margin)								
Total Liabilities to Total Assets								

6. Terms of Contract

Within fifteen (15) days after selection of the depository, the bank selected is to qualify according to law as the county depository. As soon as the contract for the securities pledged is provided and approved by the Commissioners Court of Houston County, Texas an order will be entered by the County designating the successful applicant or applicants as depository for the funds of the County until sixty (60) days after the time fixed for the next selection of a depository, or until such time as a new bank has qualified as County Depository, whichever should occur first, and thereupon the County Treasurer will place with the said depository all the funds belonging to the County and any other funds covered under the new contract. The time fixed for the next selection of a depository will be May, 2029. The County reserves the right to reject any and all bids, to waive any or all technicalities, or to negotiate informally certain finer points of the final contract with a qualified bidder.

Application submitted by:

Name of Bank: _____

Name of Officer: _____

Title of Officer: _____

Officer's Signature: _____

Date: _____

Request for Taxpayer Identification Number and Certification

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the
requester. Do not
send to the IRS.

Print or type. See specific instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small> <input type="checkbox"/> Other (see instructions) ► _____	Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional) HOUSTON COUNTY, TEXAS FAX - 936-544-3260 EMAIL-BILLING@CO.HOUSTON.TX.US
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-					
OR									
Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ► _____	Date ► _____
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Remittance Address: _____ Telephone: _____
 _____ Fax Number: _____

Billing Contact Name: _____

*Are Statements Sent Monthly?: ____ Yes ____ No

*Have you received Houston County's sales tax exemption? ____ Yes ____ No

Check box notating acceptance that Houston County requires requisitions completed for all materials and supplies purchased prior to receipt of items.

RETURN TO 936-544-3260 (FAX) OR BILLING@CO.HOUSTON.TX.US

HOUSTON COUNTY, TEXAS



CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Legislature, Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a). (SEE BACK OF FORM FOR COMPLETE DEFINITIONS)

By law this questionnaire must be filed with the Houston County Auditor (401 E. Goliad, Ste 204, Crockett, TX 75835) not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. Section 176.006(a-1), Local Govt Code. A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

If Vendor has an affiliation with any local government officer (see list below)--vendor must complete the rest of the form. If none, complete section 1, write NONE in section 3, sign & date section 7, then return form.

1 Name of vendor:

2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer vendor has an affiliation / family relationship / business relationship with:

Name of Officer

CURRENT HOUSTON COUNTY OFFICIALS / OFFICERS: Jim Lovell, County Judge; Gary Lovell, Commissioner; Willie Kitchen, Commissioner; Gene Stokes, Commissioner; Jimmy Henderson, Commissioner; Terri Meadows, County Clerk; Kristina Massey, County Attorney; Janis Omelina, County Treasurer; James Angerstein, Tax Assessor/Collector; Zak Benge, County Sheriff; Michael McCreight, JP Prec 1; Morris Luker, Constable Prec 1; Ronnie Jordan, JP Prec 2; Kenneth "Red" Smith, Constable Prec 2; Sarah Clark, County Court at Law Judge; Daphne Session, District Attorney; Laura Goolsby, District Clerk; Mark Calhoon, District Judge; Pam Foster Fletcher, District Judge; Melissa Jeter, County Auditor; Charles Hodges, County Surveyor; Heath Murff, Fire Marshal/EMC; Mike Malden, Veteran Service Officer; Thomas Streetman, Chief Juvenile Prob Officer; Shella Johnson, Grants Administrator; Cynthia Lum, Elections Administrator; Carl Johnson, Facilities Administrator

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes

No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes

No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

House Bill 89 VERIFICATION

I, _____ (Person name), the undersigned representative
of _____ (Company or Business name) (hereafter
referred to as company) being an adult over the age of eighteen (18) years of age, after being
duly sworn by the undersigned notary, do hereby depose and verify under oath that the
company named-above, under the provisions of Subtitle F, Title 10, Government Code
Chapter 2270::

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract the above-named
Company, business or individual with Houston County, Texas.

Pursuant to Section 2270.001, Texas Government Code:

1. *"Boycott Israel" means refusing to deal with, terminating business activities with, or
otherwise taking any action that is intended to penalize, inflict economic harm on, or
limit commercial relations specifically with Israel, or with a person or entity doing
business in Israel or in an Israeli-controlled territory, but does not include an action made
for ordinary business purposes; and*
2. *"Company" means a for-profit sole proprietorship, organization, association,
corporation, partnership, joint venture, limited partnership, limited liability partnership,
or any limited liability company, including a wholly owned subsidiary, majority-owned
subsidiary, parent company or affiliate of those entities or business associations that
exist to make a profit.*

DATE

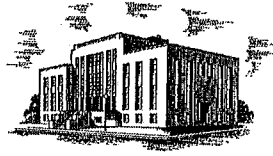
SIGNATURE OF COMPANY REPRESENTATIVE

ON THIS THE _____ day of _____, 20____, personally appeared
_____, the above-named person, who after by me
being duly sworn, did swear and confirm that the above is true and correct.

NOTARY SEAL

NOTARY PUBLIC

Melissa Jeter
Texas Certified Public Manager
Houston County Auditor
mjeter@co.houston.tx.us



Brittani Womack
First Assistant County Auditor
Sarah Bergman
Missy d'Angelo
Assistant County Auditors

Attachment A to Application for County Depository Contract

Contract Period: August 1, 2025 - July 31, 2029

		2024 Checks Written	2024 Total Check Amounts
1 Combined Funds	A/P	2865	\$ 13,003,283.53
	Payroll	4519	\$ 5,361,541.24
	\$ 15,368,543.98 Deposits		
1 Jury Fund	A/P	170	\$ 108,930.00
	\$ 108,709.81 Deposits		
5 Fee Office Fund-DC/CC/JP1/JP2/SO	A/P	179	\$ 1,041,014.58
	\$ 1,041,107.42 Deposits		
13 County Checking Accounts used for Transfers & Fund Accounting			
10 Lease Purchase Agreements			\$ 965,357.31
- 10 with Corresponding CD's & Equip as Collateral			\$ 1,218,283.54
14 Fiduciary/Dept Head Bank Accounts			
- including Pass through Accounts for			
	9 Tax Office Accounts		
	2 Clerk Trust Accounts		
	1 CA Hot Check Trust Account		
	1 DA Trust Account		
	1 Sheriff/Inmate Trust Account		
16 Court ordered Trust Accounts under County & District Clerks			
	1 County Clerk Savings Account		
	2 District Clerk Savings Accounts		
	8 District Clerk Trust CDs		
	5 County Clerk Trust CDs		

In providing this information, the County makes no representation that the County's 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.

FY 2023 Audited Financial Statements Total Revenue:

\$ 16,828,157.00

One-Half of 1%

0.500%

\$ 84,140.79

HOUSTON COUNTY, TEXAS

BANK RECONCILIATIONS

AS OF MONTH ENDING 12/31/2024

BANK ACCT CODE		BALANCE PER BANK STATEMENT:	L E S S : O/S CHECKS	P L U S : O/S DEPOSITS	RECONCILED ENDING BALANCE:
101	HOUSTON COUNTY COMBINED FUNDS:	\$ 4,341,290.25	(224,361.21)	0.00	\$ 4,116,929.04
102	HOUSTON COUNTY JURY FUND:	\$ 76,203.08	(1,582.00)	0.00	\$ 74,621.08
104	HOT CHECK FUNDS:	\$ 113.71	0.00	0.00	\$ 113.71
105	COUNTY ATTORNEY FORFEITURE FUND:	\$ 1,382.37	0.00	0.00	\$ 1,382.37
106	DISTRICT ATTORNEY FORFEITURE FUND:	\$ 23,337.99	0.00	0.00	\$ 23,337.99
107	DISTRICT ATTORNEY FORFEITURE TRUST FUND:	\$ 28,484.71	(419.00)	0.00	\$ 28,065.71
108	SHERIFF'S FORFEITURE FUND:	\$ 8,148.24	0.00	0.00	\$ 8,148.24
109	DEBT SERVICE FUND:	\$ 389,761.11	0.00	0.00	\$ 389,761.11
111	DISTRICT ATTORNEY APPORTIONMENT FUND:	\$ 0.01	0.00	0.00	\$ 0.01
114	HOUSTON COUNTY UNCLAIMED PROPERTY FUND:	\$ 9,731.45	0.00	0.00	\$ 9,731.45
115	HOUSTON COUNTY GRANTS FUND:	\$ 1,534,223.78	0.00	0.00	\$ 1,534,223.78
117	JUVENILE PROBATION FUND:	\$ 106,291.74	0.00	0.00	\$ 106,291.74
125	HOUSTON COUNTY SPECIAL GRANT FUNDS:	\$ 189,887.51	0.00	0.00	\$ 189,887.51
180	HOUSTON COUNTY CHILD WELFARE BOARD FUND:	\$ 8,767.94	(584.34)	0.00	\$ 8,183.60
119	HOUSTON COUNTY AIRPORT FUND:	\$ 88,770.77	0.00	0.00	\$ 88,770.77
TOTAL COUNTY FUNDS:		\$ 6,806,394.66	\$ (226,946.55)	\$ -	\$ 6,579,448.11

HOUSTON COUNTY, TEXAS
BANK RECONCILIATIONS
AS OF MONTH ENDING January 31, 2025

<i>BANK ACCT CODE</i>		BALANCE PER BANK STATEMENT:	L E S S : O/S CHECKS	P L U S : O/S DEPOSITS	RECONCILED ENDING BALANCE:
118	HOUSTON COUNTY DISTRICT CLERK FEE FUND:	\$ 21,032.98	(967.00)	714.50	\$ 20,780.48
121	HOUSTON COUNTY CLERK FEE FUND:	\$ 31,863.51	(15.00)	1,770.00	\$ 33,618.51
122	HOUSTON COUNTY JP 1 FEE FUND:	\$ 13,709.15	(31.45)	1,702.13	\$ 15,379.83
123	HOUSTON COUNTY JP 2 FEE FUND:	\$ 10,160.30	(312.90)	3,018.40	\$ 12,865.80
124	HOUSTON COUNTY SHERIFF FEE FUND:	\$ 527.00	0.00	0.00	\$ 527.00
112	HOUSTON COUNTY VIT INTEREST FUND-TAX A/C:	\$ 2,012.12	0.00	0.00	\$ 2,012.12
150	TAX A/C - TAX ACCOUNT FUND:	\$ 3,441,943.06	(154,213.27)	346,326.63	\$ 3,634,056.42
151	TAX A/C - VIT ESCROW FUND:	\$ 46,335.75	0.00	0.00	\$ 46,335.75
152	TAX A/C - BOAT REGISTRATION FUND:	\$ 171.01	0.00	0.00	\$ 171.01
153	TAX A/C - MOBILE HOME ESCROW FUND:	\$ 1,408.96	0.00	0.00	\$ 1,408.96
154	TAX A/C - FARM FEE FUND:	\$ 600.00	0.00	0.00	\$ 600.00
155	TAX A/C - HIGHWAY DEPT FUND:	\$ 133,306.23	0.00	0.00	\$ 133,306.23
156	TAX A/C - HIGHWAY EMISSIONS REG FUND:	\$ 3,534.52	0.00	0.00	\$ 3,534.52
157	TAX A/C - IVTRS ACCOUNT	\$ 2,633.65	0.00	0.00	\$ 2,633.65
160	COUNTY ATTORNEY HOT CHECK TRUST FUND:	\$ 1,111.54	0.00	0.00	\$ 1,111.54
175	INMATE TRUST FUNDS:	\$ 20,728.40	\$ (4,642.85)	\$ 1,746.00	\$ 17,831.55
175	HCSO JAIL COMMISSARY FUND:	\$ 45,472.23	\$ (2,973.99)	\$ -	\$ 42,498.24
		\$ 66,200.63			\$ 60,329.79
	TOTAL FUDICIARY FUNDS:	\$ 3,776,550.41	\$ (163,156.46)	\$ 355,277.66	\$ 3,968,671.61

<u>DEPARTMENT</u>	<u>TYPE</u>	<u>NUMBER</u>	<u>BALANCE - 1/31/25</u>	
COUNTY CLERK	CD	13850	\$ 9,335.14	
COUNTY CLERK	CD	13744	\$ 25,400.31	
COUNTY CLERK	CD	13745	\$ 25,400.31	
COUNTY CLERK	CD	13306	\$ 2,784.31	
COUNTY CLERK	SAVINGS	9067	\$ 1,531.98	
COUNTY CLERK	SAVINGS	8811	\$ 201.52	
CHILD WELFARE BOARD	CD	13874	\$ 36.32	
DISTRICT CLERK	SAVINGS	3846	\$ 0.68	
DISTRICT CLERK	SAVINGS	9280	\$ 7.37	
DISTRICT CLERK	CD	13283	\$ 28.17	
DISTRICT CLERK	CD	13775	\$ 493.90	
DISTRICT CLERK	CD	13740	\$ 244.66	
DISTRICT CLERK	CD	13983	\$ 25.85	
DISTRICT CLERK	CD	13340	\$ 96.52	
DISTRICT CLERK	CD	13776	\$ 483.35	
DISTRICT CLERK	CD	13982	\$ 24.88	
				\$ 66,095.28
COMMISSIONERS COURT - LP COLLATERAL	CD	14002	\$ 36,680.77	
COMMISSIONERS COURT - LP COLLATERAL	CD	13887	\$ 130,242.06	
COMMISSIONERS COURT - LP COLLATERAL	CD	13926	\$ 109,103.25	
COMMISSIONERS COURT - LP COLLATERAL	CD	13960	\$ 123,005.81	
COMMISSIONERS COURT - LP COLLATERAL	CD	13961	\$ 352,118.05	
COMMISSIONERS COURT - LP COLLATERAL	CD	13986	\$ 31,251.58	
COMMISSIONERS COURT - LP COLLATERAL	CD	13989	\$ 311,576.75	
COMMISSIONERS COURT - LP COLLATERAL	CD	13992	\$ 51,265.27	
COMMISSIONERS COURT - LP COLLATERAL	CD	14003	\$ 35,050.00	
COMMISSIONERS COURT - LP COLLATERAL	CD	14004	\$ 37,990.00	
				\$ 1,218,283.54
PRECINCT 2 - EQUIPMENT	LEASE PUR	41083-01	\$ 36,451.08	
PRECINCT 3 - EQUIPMENT	LEASE PUR	42205-00	\$ 48,335.21	
PRECINCT 4 - EQUIPMENT	LEASE PUR	42757-00	\$ 64,923.00	
PRECINCT 1 - EQUIPMENT	LEASE PUR	43130-01	\$ 97,888.05	
PRECINCT 2 - EQUIPMENT	LEASE PUR	43131-01	\$ 315,241.15	
PRECINCT 3 - EQUIPMENT	LEASE PUR	45353-00	\$ 20,193.22	
PRECINCT 2 - EQUIPMENT	LEASE PUR	43402-00	\$ 271,785.60	
PRECINCT 3 - EQUIPMENT	LEASE PUR	43454-00	\$ 37,500.00	
PRECINCT 1 - EQUIPMENT	LEASE PUR	43829-00	\$ 35,050.00	
PRECINCT 2 - EQUIPMENT	LEASE PUR	43839-00	\$ 37,990.00	
				\$ 965,357.31

FISCAL YEAR OCTOBER 1, 2024 TO SEPTEMBER 30, 2025
MONTH ENDING: JANUARY 31, 2025
CERTIFICATE OF OBLIGATION

Details	Collateral	Original Balance of Collateral	9/30/2024		Principal	CY Payment	Balance 1/31/2025	Collateral Balance	2025	Interest	2025 PENDING PAYMENTS	2026	2027	2028	2029	Thereafter	Total
			Balance	ADDITIONS													
2019 R&E Funding			\$ 555,000	\$ -	\$ -	\$ -	\$ 555,000		\$ 10,688	\$ 275,000	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 555,000
CO 2015 Justice Center			\$ 6,695,000	\$ -	\$ -	\$ -	\$ 6,695,000	\$ -	\$ 239,838	\$ 640,000	\$ 665,000	\$ 710,000	\$ 685,000	\$ 710,000	\$ 740,000	\$ 3,255,000	\$ 6,695,000
			\$ 7,250,000	\$ -	\$ -	\$ -	\$ 7,250,000	\$ -	\$ 250,526	\$ 915,000	\$ 945,000	\$ 710,000	\$ 685,000	\$ 710,000	\$ 740,000	\$ 3,255,000	\$ 7,250,000

LEASE / PURCHASE AGREEMENTS - National Bank & Trust (Energy Performance Upgrades Lease)

Note	Collateral	Original Balance of Collateral	9/30/2024		Principal	CY Payment	Balance 1/31/2025	Collateral Balance	2025	Interest	2025 PENDING PAYMENTS	2026	2027	2028	2029	Thereafter	Total
			Balance	ADDITIONS													
166414 Energy upgrades			\$ 1,000,542	\$ -	\$ -	\$ -	\$ 1,000,542	\$ -	\$ 39,389	\$ 50,000	\$ 50,000	\$ 55,000	\$ 60,000	\$ 65,000	\$ 75,000	\$ 695,542	\$ 1,000,542
			\$ 1,000,542	\$ -	\$ -	\$ -	\$ 1,000,542	\$ -	\$ 39,389	\$ 50,000	\$ 50,000	\$ 55,000	\$ 60,000	\$ 65,000	\$ 75,000	\$ 695,542	\$ 1,000,542

LEASE / PURCHASE AGREEMENTS - Cadence Bank Leases (Equipment Purchases)

Note	Collateral	Original Balance of Collateral	9/30/2024		Principal	CY Payment	Balance 1/31/2025	Collateral Balance	2025	Interest	2025 PENDING PAYMENTS	2026	2027	2028	2029	Thereafter	Total
			Balance	ADDITIONS													
110034-03 Prec 2 Mack Truck			\$ -	\$ 170,420	\$ -	\$ -	\$ 170,420	\$ -	\$ -	\$ -	\$ -	\$ 170,420	\$ -	\$ -	\$ -	\$ -	\$ 170,420
110034-04 Prec 2 Mack Truck			\$ -	\$ 165,368	\$ -	\$ -	\$ 165,368	\$ -	\$ 10,659	\$ 165,368	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,368
110034-02 Prec 1 Mack Truck			\$ -	\$ 43,831	\$ -	\$ -	\$ 43,831	\$ -	\$ 1,014	\$ 21,664	\$ 22,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,831
			\$ -	\$ 209,199	\$ 170,420	\$ -	\$ 379,619	\$ -	\$ 11,674	\$ 187,032	\$ 192,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 379,619

LEASE / PURCHASE AGREEMENTS - Citizens National Bank (Capital Outlay / Equipment Purchases)

Note	Collateral	Original Balance of Collateral	9/30/2024		Principal	CY Payment	Balance 1/31/2025	Collateral Balance	2025	Interest	2025 PENDING PAYMENTS	2026	2027	2028	2029	Thereafter	Total
			Balance	ADDITIONS													
41083-00 Prec 2/Backhoe			\$ 72,902	\$ 43,743	\$ -	\$ 7,290.21	\$ 36,452	\$ -	\$ 1,535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,451
41083-01 Prec 2/Backhoe			\$ -	\$ -	\$ -	\$ -	\$ 36,451	\$ 36,680.77	\$ -	\$ -	\$ -	\$ 7,290	\$ 7,290	\$ 7,290	\$ 7,290	\$ 7,290	\$ 36,451
41195-00 Case Mgmt Software			\$ 157,093	\$ 31,419	\$ -	\$ 31,418.58	\$ 0	\$ -	\$ 1,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42205-00 Prec 3/Mack Truck			\$ 120,839	\$ 48,335	\$ -	\$ -	\$ 48,335	\$ 130,242.06	\$ 1,933	\$ 24,168	\$ 24,168	\$ 24,168	\$ 24,168	\$ 24,168	\$ 24,168	\$ 24,168	\$ 48,336
42757-00 Prec 4/Excavator			\$ 108,205	\$ 64,923	\$ -	\$ -	\$ 64,923	\$ 109,103.25	\$ 1,493	\$ 21,641	\$ 21,641	\$ 21,641	\$ 21,641	\$ 21,641	\$ 21,641	\$ 21,641	\$ 48,336
43130-01 Prec 1/Cat Mgr			\$ 122,360	\$ 97,888	\$ -	\$ -	\$ 97,888	\$ 123,005.81	\$ 2,251	\$ 24,472	\$ 24,472	\$ 24,472	\$ 24,472	\$ 24,472	\$ 24,472	\$ 24,472	\$ 97,888
43131-01 Prec 2/Cat Mgr (2/Reaw)			\$ 350,268	\$ 315,241	\$ -	\$ -	\$ 315,241	\$ 352,118.05	\$ 7,251	\$ 35,027	\$ 35,027	\$ 35,027	\$ 35,027	\$ 35,027	\$ 35,027	\$ 140,107	\$ 315,242
45353-00 Prec 3/Perth Truck			\$ 30,290	\$ 30,290	\$ -	\$ -	\$ 30,290	\$ 31,251.58	\$ 757	\$ -	\$ -	\$ 10,098	\$ 10,098	\$ 10,098	\$ 10,098	\$ 20,196	\$ 20,196
43402-00 Prec 2/Cat Mgr-2023			\$ 301,984	\$ 301,984	\$ -	\$ 10,096.78	\$ 271,786	\$ 309,625.69	\$ 7,550	\$ -	\$ -	\$ 30,198	\$ 30,198	\$ 30,198	\$ 30,198	\$ 150,992	\$ 271,785
43454-00 Prec 3/Wheel Loader			\$ 50,000	\$ 50,000	\$ -	\$ 12,500.00	\$ 37,500	\$ 51,265.27	\$ 1,250	\$ -	\$ -	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 37,500	\$ 37,500
43829-00 Prec 1/Bully Dump Trlr			\$ -	\$ -	\$ -	\$ -	\$ 35,050	\$ 35,050.00	\$ -	\$ -	\$ -	\$ 11,683	\$ 11,683	\$ 11,683	\$ -	\$ -	\$ 35,050
43839-00 Prec 2/Bully Dump Trlr			\$ -	\$ -	\$ -	\$ -	\$ 37,990	\$ 37,990.00	\$ -	\$ -	\$ -	\$ 18,995	\$ 18,995	\$ 18,995	\$ -	\$ -	\$ 37,990
			\$ 1,551,802	\$ 983,823	\$ 109,491	\$ 91,504	\$ 1,001,810	\$ 1,216,332	\$ 25,281	\$ 105,308	\$ 196,073	\$ 196,073	\$ 171,905	\$ 121,171	\$ 72,515	\$ 298,389	\$ 965,360
			\$ 1,551,802	\$ 983,823	\$ 109,491	\$ 91,504	\$ 1,001,810	\$ 1,216,332.48	\$ 25,281	\$ 105,308	\$ 196,073	\$ 196,073	\$ 171,905	\$ 121,171	\$ 72,515	\$ 298,389	\$ 965,360

			\$ 9,443,564	\$ 279,911	\$ 91,504	\$ 9,631,970	\$ 1,216,332	\$ 326,869	\$ 1,257,340	\$ 1,388,659	\$ 916,905	\$ 896,171	\$ 887,515	\$ 4,248,931	\$ 9,595,521
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as prepared by the Houston Co Auditor's Office

RESOLUTION TO ADOPT COUNTY INVESTMENT POLICY & FUND STRATEGIES

STATE OF TEXAS §
COUNTY OF HOUSTON §

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

WHEREAS, the Houston County Investment Committee recommends aforementioned County Investment Policy for 2019 be approved by resolution by the Commissioners Court of Houston County

WHEREAS, the Houston County Commissioners Court approve the appointment of the following to comprise the County Investment Committee: County Judge Jim Lovell as Committee Member, County Treasurer Janis Omelina and County Auditor Melissa Jeter as Certified Investment Officers.


NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSIONERS COURT OF HOUSTON COUNTY, TEXAS, IN A REGULAR MEETING DULY CONVENED AND ACTING IN ITS CAPACITY AS THE GOVERNING BODY OF HOUSTON COUNTY,

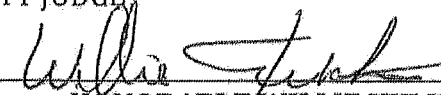
HEREBY AFFIRMS THE ATTACHED 2019 HOUSTON COUNTY INVESTMENT POLICY, SETTING FORTH ITS INVESTMENT STRATEGIES BY FUND TYPE AND DESIGNATING THE HOUSTON COUNTY INVESTMENT COMMITTEE TO IMPLEMENT AND CARRY OUT THE STATED INVESTMENT POLICY.

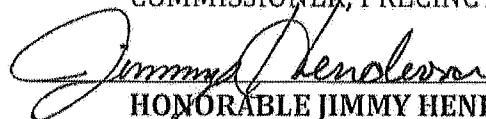
PASSED and APPROVED, this 12th day of MARCH 2019.


HONORABLE JIM LOVELL
COUNTY JUDGE

HONORABLE GARY LOVELL
COMMISSIONER, PRECINCT 1


HONORABLE PAT PERRY
COMMISSIONER, PRECINCT 3


HONORABLE WILLIE KITCHEN
COMMISSIONER, PRECINCT 2


HONORABLE JIMMY HENDERSON
COMMISSIONER, PRECINCT 4

ATTEST:


HONORABLE TERRI MEADOWS
COUNTY CLERK



HOUSTON COUNTY INVESTMENT POLICY

Updated
March 12, 2019

Investment Officers

Janis Omelina
Houston County Treasurer
401 East Goliad, Ste 104
Crockett, TX 75835
jomelina@co.houston.tx.us

Melissa Jeter
Houston County Auditor
401 East Goliad, Ste 204
Crockett, TX 75835
mjeter@co.houston.tx.us

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I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256 to define and adopt a formal investment policy. This policy will be reviewed and adopted by resolution at least annually according to Section 2256.005(e).

Funds Included

This investment policy applies to all financial assets of all funds of the County of Houston, Texas, at the present time and any funds to be created in the future and 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 Houston County and any depository bank.

County's Investment Officer

In accordance with Sec. 116.112(a), Local Government Code and/or Chapter 2256, Sec. 2256.005 (f) and (g), the County Investment Officer, under the direction of the Houston County Commissioners Court, may invest County funds that are not immediately required to pay obligations of the County. The commissioners court shall designate by resolution one or more officers or employees as investment officer.

The designated investment officer(s) of the County shall attend training session meeting the requirements of Section 2256.008 of the Local Government Code within twelve months of assuming the duties of investment officer. Training must include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act of the State of Texas. If the investment officer has a personal business relationship with an entity, or is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the County, the investment officer must file a statement disclosing that personal business interest-or-relationship with the Texas Ethics Commission and the Commissioners Court in accordance with Government Code 2256.005 (i).

In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances that a prudent person would exercise in the management of the person's own affairs but the governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

II. INVESTMENT OBJECTIVES

A. 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 Sec.2256.005 (d) of the Government Code.

B. Safety and Maintenance of Adequate Liquidity

Houston County is concerned about the return of its principal; therefore, safety of principal is a primary objective in any investment transaction. The county's investment portfolio must be structured in conformance with an asset/liability management plan, which provides for liquidity necessary to pay obligations as they become due.

C. Diversification

It will be the policy of Houston County to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Nevertheless, the Commissioners Court recognizes that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented. Investments of the County shall always be selected that provide for stability of income and reasonable liquidity.

D. 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 state and federal law governing investment of public funds.

E. Maturity

Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the highest return of interest. When the County has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy of each fund. The maximum allowable stated maturity of any individual investment owned by the county is one year.

F. Quality and Capability of Investment Management

It is the County's policy to provide training required by the Public Funds Investment Act, Sec. 2256.008 and periodic training in investments for the County Investment Officer through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of the county Investment Officer in making investment decisions. The investment officer must complete 10 hours of training every 2 fiscal years.

G. Investment Strategies

The County maintains control over three types of funds: operating funds, debt service funds and capitol projects funds. For each of these funds, the primary objectives for the investment strategy of the county, is as follows:

- 1) understanding of the suitability of the investment to the financial requirements of the entity;
- 2) preservation and safety of principal;
- 3) liquidity
- 4) marketability of the investment if the need arises to liquidate the investment before maturity;
- 5) diversification of the investment portfolio;
- 6) yield; and
- 7) maturity restrictions

To insure diversity of investments, at no time shall over 75% of the County's total investments be placed in any one specific type of investment or in any one investment pool.

For operating funds, the County's investment strategy shall include the above prioritized objectives along with emphasis on assuring that anticipated cash flows are matched with investment liquidity.

For debt service and capitol project funds, the County's investment strategy shall include the above prioritized objectives with emphasis on matching investment maturities to required and projected cash flow needs.

III. INVESTMENT TYPES

Texas Local Government Code 2256.005 (b)(4) requires the investment policy to list the types of investments in which the County may invest. The Houston County Investment Officer shall use any or all of the following authorized investment instruments consistent with governing law.

A. Authorized Investments – except as provided by Government Code 2256.009 (b) the following are authorized investments:

1. obligations of the United States or its agencies and instrumentalities
2. direct obligations of this state or its agencies and instrumentalities
3. other obligations, the principal and interest of 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
4. Certificates of Deposit if issued by a depository institution that has its main office or a branch office in this state and is:
 - i. Guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), NCUA (National Credit Union

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Investment Policy

- Administration) or another federal insurance and its successor;
- ii. Secured in any other manner and amount provided by law for deposits of the County.
- 5. Any or all of the following types of investments consistent with federal and state law and the current Bank Depository Contract
 - i. money market investment accounts
 - ii. negotiable order of withdrawal (NOW and Super NOW) accounts
- 6. Eligible investment pools (as discussed in the Public Funds Investment Act, Sec 2256.016-2256.019) if the Commissioners 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.

IV. INVESTMENT RESPONSIBILITY AND CONTROL

A. Investment Institutions Defined

The Houston County Investment Officer shall invest County funds with any or all of the following institutions or groups consistent with federal and state law and the current Depository Bank contract:

- 1) Depository bank'
- 2) Other state or national banks or state or federal credit unions that are insured by FDIC
- 3) Public funds investment pools
- 4) Government securities brokers and dealers approved by Houston County Commissioner's Court.

B. Qualifications for Approval of Broker/Dealers

In accordance with 2256.005(k), a written copy of this investment policy shall be presented to any person offering to engage in an investment transaction with the County. The qualified representative of the business organization offering to engage in an investment transaction with the County shall execute a written instrument, provided by the County that the business organization has:

- 1) Received and reviewed the investment policy of the county; and
- 2) Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the County and the organization; and

Houston County
Investment Policy

- 3) Has adequate capital or insurance coverage to cover any investment if there is a default on any purchase and the business organization is found liable.

C. 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.

D. 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.

E. Audit Control

The Houston County Investment Officer will establish liaison with the Houston County Auditor in preparing investment forms to assist the County Auditor for accounting and auditing control. The Investment Officer is subject to audit by the Houston County Auditor. In addition, the Houston County Commissioners Court, at a minimum, will have an annual financial audit of all County funds by an independent auditing firm, as well as an annual compliance audit of management controls on investments and adherence to the entity's established investment policies in accordance with Gov. Code 2256.005(m).

F. 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: preservation and safety of principal; liquidity; and 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 county'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 county.

G. Investment Committee

An Investment Committee consisting of the County Treasurer, County Auditor, and County Judge. The County Judge will serve as the Chair for the Committee.

Members should have demonstrated knowledge and expertise in the area of finance, investments, or cash management. This committee will meet at least annually to review investments made in the previous period, evaluate the possibilities of the present market situation, and address any questions or proposals relative to the Houston County Investment Policy. These meetings are to focus on the direction of future investments and provide continual input from the Commissioners Court to the Investment Officer regarding the course of Houston County's investments.

H. Liability of Investment Officer and Investment Committee

The County Investment Officer and the Investment Committee are not responsible for any loss of county funds through the failure or negligence of the depository. This policy does not release the investment officer or any other person for a loss resulting from an act of official misconduct, or negligence, or for any misappropriation of such funds.

V. INVESTMENT REPORTING AND PERFORMANCE EVALUATION

A. Quarterly Report

In accordance with Government Code 2256.023, not less than quarterly, the investment officer shall prepare and submit to the 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 jointly by all investment officers of the County;
- 3) Be signed by each investment officer of the County;
- 4) Contain a summary statement, prepared in compliance with generally accepted accounting principles, 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 period; and
 - c. Ending market value for the period;
 - d. Fully accrued interest for the reporting period;
- 5) state the book value and market value of each separately

Houston County
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- invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- 6) state the maturity date of each separately invested asset that has a maturity date;
 - 7) state the account or fund or pooled group fund in the County for which each individual investment was acquitted; and
 - 8) state the compliance of the investment portfolio of the county as it relates to:
 - a. the investment strategy expressed in the County's investment policy; and
 - b. relevant provisions of this chapter

B. Notification of Investment Changes

It shall be the duty of the County Investment Officer of Houston County, Texas to notify the Houston 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 or not.

VI. INVESTMENT COLLATERAL AND SAFEKEEPING

A. Collateral or Insurance

The Houston County 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) Obligations of the United States or its agencies and instrumentalities
- 3) A bond, certificate of indebtedness, or Treasury note of the United States, or other evidence of indebtedness of the United States that is guaranteed as to principal and interest by the United States.

B. Safekeeping

All purchased securities shall be held in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank. All certificates of deposit, insured by the FDIC, NCUA, etc, 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 by the Depository Bank shall be held in the name of Houston County in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank.

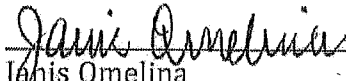
Houston County
Investment Policy

INVESTMENT COMMITTEE

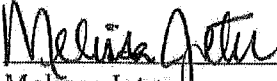
Met on Friday, March 8, 2019 to update the Investment Policy and discuss possible recommendations to the Houston County Commissioners Court. None were made. Submit to agenda for renewal as previously presented.



Jim Lovell
County Judge



Janis Omelina
County Treasurer



Melissa Jeter
County Auditor