

**HOPKINS COUNTY BOARD OF EDUCATION
320 South Seminary Street
Madisonville, Kentucky 42431**

**OFFICIAL QUOTE FORM
FOR
PRIMARY DEPOSITORY FOR HOPKINS COUNTY BOARD OF EDUCATION**

***THE HOPKINS COUNTY BOARD OF EDUCATION RESERVES THE RIGHT TO NEGOTIATE
ANY OR ALL OF THE TERMS OF SUBMITTED QUOTES FROM BANKS.***

Interest Rate

In accordance with the terms of the General Conditions and Specifications, all accounts of the Hopkins County Board of Education shall be serviced without charge. The bank agrees that no minimum balance shall be required at any time and the bank shall factor any and all expenses of servicing the Board's accounts into the interest rate shown below. Interest shall be paid on all deposits maintained by the Hopkins County Board of Education, starting on the date of deposit. Interest shall be calculated compared to the Federal Funds daily rate. The rate + or – the basis points stated below will be paid on the daily balance. Interest shall compound daily.

Plus (+) 15 basis points

Minus (--) _____ basis points

(Note: Complete only one line above)

Banking institution guarantees that the rate will not fall below: 2.00%

The Board of Education will select the best evaluated bid. Also, if the high quote is not more than two (2) basis points above the current primary depository rate (for the period of July 1, 2019 – June 30, 2021), the Board reserves the right to award this bid to the current primary depository.

Note:

Please submit Official Quote Form in an envelope marked "Do Not Open – Bank Quote Enclosed -- Reference #DEPOS-2021"

Locations

The following is a listing of the financial institution's Hopkins County branch offices and ATM locations:

<u>Branch Office Location</u>	<u>ATM Location</u>
<u>162 North Main, Madisonville</u>	<u>162 North Main, Madisonville</u>
<u>1080 North Main, Madisonville</u>	<u>1080 North Main, Madisonville</u>
<u>101 East Main, Earlington</u>	<u>101 East Main, Earlington</u>
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Collateral

A. Execution of Bond of Depository and Collateral

A Bond of Depository for Public School Funds will be executed by the primary depository and collateral deposited in escrow to secure said bond as hereafter set out. This Bond includes a pledge of collateral in the amount of the required penal sum of 103% of current daily balances. The Bond of Depository covers Hopkins County Board of Education funds in an amount that will later be determined. It will be effective July 1, 2019 for the full term of this agreement, subject to approval of the Kentucky Department of Education ("KDE"). The amount of the Bond may fluctuate from year to year. In the event the Board of Education's funds on deposit, including certificates of deposit, exceed the Bond of Depository amount, the primary depository shall pledge additional collateral for any such excess funds on deposit with a fair market value equal to the excess amount.

B. Types of Collateral

All collateral pledged by the primary depository selected shall have a fair market value equal to at least 103% of all deposits (including all investment instruments) of the Board of Education and shall consist of U.S. Government Bonds, Kentucky School Revenue Bonds, and/or Federal Government Agency Obligations. Repurchase Agreements for either class of collateral are unacceptable security. The collateral represents the total amount required to cover all funds, including investments and construction funds. At no time shall the collateral be reduced or substituted without prior approval of the Board of Education. Such approval shall not be granted without the execution of a new bond, which shall have prior approval by KDE.

C. Safekeeping Receipts

The primary depository shall execute a safekeeping receipt for collateral, which shall include an endorsement as follows (the form of the endorsement on the safekeeping receipt may be amended so as to modify the endorsement in any manner required by the rules and regulations of the Federal Reserve, provided that the collateral pledged for safekeeping in connection with the bond of depository is deposited in a federal reserve bank.):

"The securities described herein have been pledged as collateral to funds on deposit in _____ (city), _____ (county), Kentucky to the credit of the Hopkins County Board of Education of Madisonville, Kentucky under terms of a depository agreement. These securities may not be withdrawn or substituted except with the written consent of the Hopkins County Board of Education. The original of this receipt has been delivered to the Hopkins County Board of Education of Madisonville, Kentucky."

Length of Agreement

The quotations and undertakings offered herein will be valid from July 1, 2019 to June 30, 2021 and, at the option of the Board of Education, and with the primary depository's consent, may be extended for additional one (1) year periods as stipulated in General Conditions and Specifications.

Additional Banking Services *(use this section and additional pages, if needed, to describe other banking services):*

See attached Service Specification for more details.

Designated Employee

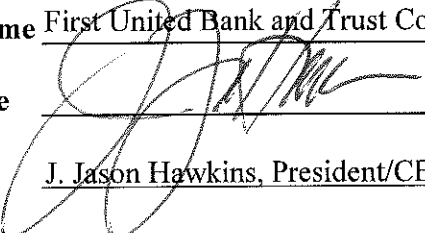
J. Jason Hawkins, President/CEO shall be the bank's employee who will be responsible for compliance with the terms of this depository agreement.

Type of Financial Institution

We have read and understand the General Conditions and Specifications and the Official Quote Form for Board of Education accounts and agree to comply with all said stipulations should we be selected as the Board's depository. Our institution is a: *(place an "X" beside the following description that applies)*

 X **Commercial Bank** and is a member of the Federal Deposit Insurance Corporation and, as such, we propose to accept and hold in SECURED CUSTODY funds belonging to the Hopkins County Board of Education, and to pay out any funds on order of the Board as provided by law. We hereby offer our quote to the Hopkins County Board of Education under terms and conditions as above specified.

 Savings and Loan Association and is insured by the Federal Government and as such we propose to accept and hold in SECURED CUSTODY funds belonging to the Hopkins County Board of Education, and to pay out any funds on order of the Board as provided by law. We hereby offer our quote to the Hopkins County Board of Education under terms and conditions as above specified.

Bank Name First United Bank and Trust Company **Date** 05/15/2019
Signature  **Title** PRESIDENT/CEO
Name J. Jason Hawkins, President/CEO **(print)**
Address 162 North Main Street, PO Box 1190
Madisonville, KY 42431
Telephone 270-821-5555

DISTRICT INFORMATION

MAJOR RECEIPTS (annual estimates)

SEEK deposit from the Kentucky State Treasurer (one per month, electronically around the 5 th day):	\$27,758,377
Property Tax revenue collected by the Sheriff (largest months: November/December):	\$17,000,000
Revenue in Lieu of Taxes from the State of KY (one per month)	\$210,000
Food Service Federal Reimbursement (one per month)	\$3,020,000

MONTHLY BANK BALANCE (does not include individual school accounts)*

April 2018	\$16,719,376
May 2018	\$16,665,065
June 2018	\$16,087,174
July 2018	\$15,683,460
August 2018	\$14,764,921
September 2018	\$13,359,442
October 2018	\$12,107,433
November 2018	\$22,533,824
December 2018	\$22,253,356
January 2019	\$23,007,962
February 2019	\$22,978,757
March 2019	\$22,075,037

MAJOR EXPENDITURES (monthly estimate)

Accounts Payable: \$1,000,000
Payroll: \$1,700,000

CHECKS (yearly averages)

Payroll:

Checks	1,250
Direct Deposit Advices	200 paper (direct deposit advices are normally emailed)

Accounts Payable:

Checks	5,000
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HOPKINS COUNTY SCHOOLS

Browning Springs Middle School
357 West Arch Street
Madisonville, KY 42431

Earlington Elementary School
229 West Thompson Street
Earlington, KY 42410

Grapevine Elementary School
1150 Hayes Avenue
Madisonville, KY 42431

Hanson Elementary School
121 Eastlawn Road
Hanson, KY 42413

Hopkins County Alternate Day Treatment
110 Sugg Street
Madisonville, KY 42431

Hopkins County Central High School
6625 Hopkinsville Road
Madisonville, KY 42431

West Hopkins School
2695 Rabbit Ridge Road
Nebo, KY 42441

James Madison Middle School
510 Brown Road
Madisonville, KY 42431

Jesse Stuart Elementary School
170 Anton Road
Madisonville, KY 42431

Madisonville North Hopkins High School
4515 Hanson Road
Madisonville, KY 42431

Pride Elementary School
861 Pride Avenue
Madisonville, KY 42431

South Hopkins Middle School
9140 Hopkinsville Road
Nortonville, KY 42442

Southside Elementary School
9220 Hopkinsville Road
Nortonville, KY 42442

West Broadway Elementary School
127 West Broadway
Madisonville, KY 42431

Hopkins County Career and Technology Center
1775 Patriot Drive
Madisonville, KY 42431



Service Specification

May, 2019

Service Specification

Introduction

First United Bank and Trust Company (the "Bank") submits the following proposal for services to the Hopkins County, Kentucky Board of Education (the "Board").

We are pleased to provide the Board with personal contact information. For any issues or concerns please feel free to contact:

Primary Contact:

Chuck Shockley, VP/Business Banking Officer, 270-643-1672, cell 270-836-3724

Secondary Contacts:

Keri Hinton, Internet Banking Specialist, 270-824-1630

Cami Clayton, Accounting, 270-824-1626

Suzette Blair, Branch Manager/Main Office, 270-643-1616

Amy Doner, VP/Retail Services Officer, 270-824-1637, cell 740-818-5443

Thomas J. McFarland, COO, 270-643-1686, cell 270-577-1184

J. Jason Hawkins, President and CEO, 270-824-1633, cell 270-875-8883

Services offered

The Bank will provide all the General Conditions and Specifications as indicated in the Board's Request for Proposal without exception. More specifically, the Bank will also provide:

Demand Deposit account(s) will be made available by the Bank for all Board funds and any future account(s) with **no cost**.

Internet banking services and online statements with **no cost**

Electronic services for online account access as well as ability to submit ACH files for payroll processing will be provided through internet banking for all accounts at **no cost**.

Pre-printed checks for each account will be provided at **no cost**.

The Bank's product, First \$can Remote Capture, enables the Board to make deposits without leaving the office. Proprietary software and a scanning device will be installed on the Board's computer enabling the Board to scan deposits and digitally send them to the Bank to be credited to the Board's account. The Bank will provide our First \$can product at **no cost** as well as a scanning device at **no cost**.

Return items will be processed twice and then charged back to the incurring account or as instructed. All return item fees will be **waived**.

Wire transfers and stop payment orders processed at **no cost**

Collateralization

First United Bank and Trust Company will collateralize collected deposit account balances exceeding coverage of FDIC Insurance. Collateralization will be made available by the Bank in any acceptable form; however, the Bank plans to utilize an Insured Cash Sweep® arrangement. The Board consents to the use of this arrangement and will execute a Deposit Placement Agreement ("DPA") as necessary to enroll in the program.

Interest rate information – Variable

Collected balances will earn interest as follows:

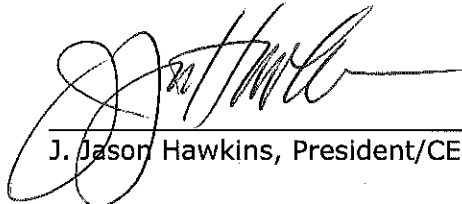
Balances	Annual Percentage Yield (APY)**
Collected Balance over \$.01*	Federal Funds Target Rate Plus 0.15%, with a minimum APY of 2.00%**

* Interest paid using daily balance method. Interest begins to accrue on the day we receive credit for non-cash deposits

**The Annual Percentage Yield (APY) is a variable rate based upon the Federal Funds Target Rate, as set by the Federal Open Market Committee, plus 0.15%, subject to a floor of 2.00%. The APY for this relationship will reset upon any change in the Federal Funds Target Rate. The current APY, as of May 14, 2019, for this option is 2.65%. The minimum APY of 2% is guaranteed for the contract period ending June 30, 2021

Submitted By:

First United Bank and Trust Company



J. Jason Hawkins, President/CEO

Accepted By:

Hopkins County Board of Education

Dated: _____

Printed: _____

Title: _____