



TREASURY

718 Main St PO Box 520 Hays, KS 67601

2018 Ellis County Banking RFP Results

May 1, 2018

To whom it may concern:

On behalf of Ellis County and myself, I would like to thank each bank for taking the time to participate in Ellis County's 2018 Banking RFP.

The proposals I received were all satisfactory and I feel that any of the responding banks could effortlessly take care of Ellis County's needs. I am grateful for the numerous responses Ellis County received and the eagerness each bank expressed to handle Ellis County's primary operating accounts.

At this time, I have decided to award Astra Bank with the opportunity to provide Ellis County with it's essential banking products and services. I was drawn to the adaptability of Astra's qualified staff and various services to meet all our required banking needs at the best cost-value to the County. Presently, budgets are becoming more constricted so two objectives I set forth to achieve by undertaking the RFP process were to increase interest income and decrease monthly banking fees on our operating accounts. Astra Bank is highly competitive on both objectives, and between the staff and the products available, the value Ellis County will receive from this partnership is the best "whole package," surpassing my initial expectations when I began the process in January 2018.

Regardless of the RFP results, I honestly look forward to continuing to build Ellis County's relationship with each responsive bank in the future. I have enjoyed meeting and working with all the banking executives in Ellis County. We have some great people in Ellis County, and I enjoy the opportunities I've had to meet all of you.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Schlegel".

Lisa Schlegel
Ellis County Treasurer





March 9, 2018

Ellis Co Treasurer
Lisa Schlegel
718 Main St.
Hays, KS 67601

Dear County Treasurer's Office:

I would like to thank you for your consideration of our bank providing services for the Ellis County Treasurer.

The Astra Bank charter dates back to 1911 in rural North Central Kansas. We have grown and prospered, based on honesty and integrity. We are privileged to have an extremely loyal customer base that continues to grow each year. Innovation and finding new and better ways to bring banking services to our customers is a continual challenge. These challenges have ultimately been beneficial through improved and more customer-friendly products. It would be our goal that we would provide the same benefits to the Ellis County Treasurer.

The required forms have been filled out and are enclosed with this letter. The interest rate we would quote is based on the 91-Day T-bill as stated by the US Department of the Treasury, less .12 (12 basis points), adjustable on a weekly basis. Fees to provide all of the requested services to the Treasurer would be minimal please see the enclosed cost proposal.

Thank you once again for this opportunity to become the primary bank for the Treasurer. If you have any comments or questions, we will be pleased to respond as needed.

Sincerely,

Bryan VonFeldt
SVP / Market President

Astra Bank response to RFP questions:

- 1. Provide the name of any other government entities or relatively similar sized customers you currently have?**

City of Hays

City of Abilene

Hess Services (Hays)

Numerous other Counties, Cities and School Districts.

We can definitely provide you with contact info for some of these relationships for references.

- 2. What are a few of the reasons a financial institution would base interest rates on a 3-month T-bill verses the federal funds rate?**

We know that Ellis Co. Treasurer would be committing funds to Astra Bank for a minimum of four years and hopefully up to 6 years. We feel like the 3 month T-bill is a better representation of rate expectations and what we should be willing to pay for a commitment of funds. If interest rates are expected to rise, we feel like the 3 month T-bill will reflect that much sooner than the fed funds rate and therefore, a much more proactive way to make sure the Treasurer is paid fairly for that commitment of funds.

- 3. What is the minimum and maximum capacity that Ellis County can securely hold at your financial institution? Is \$4-\$8 million manageable?**

\$4 to \$8 million in funds will not be an issue to secure. Astra Bank currently has excess securities of over \$45 Million that are eligible to be pledged to Ellis Co Treasurer.

- 4. Is it possible to initiate and approve domestic wires via an online portal instead of faxing or in-person requests?**

Yes, you can initiate a wire through our Cash Management Services, and we will send the wire upon a call back approval.

- 5. Can ACH filters be used to monitor incoming and outgoing ACH? Are the filters based on amount or entity?**

Yes, we do have the ability to filter ACH transactions. It goes hand-in-hand with our Positive Pay service. It will give the Treasurer the ability to filter all ACH's with respect to entity. The Treasurer would simply supply a list of company IDs that they wish to block or at least filter out. If anything came through with those ID's it would generate a report for you to review and either decide to pay it or return it.

6. For security purposes, will tokens or fobs be assigned to the appropriate County employee(s)?
We currently do not issue tokens. Each user will be set up with a User Name and Password. These users can be managed by an overall administrative user that the Treasurer sets up.

7. Is the financial institution willing to touch base with Ellis County semi-annually to discuss current services, new products, etc.?
Most definitely. We can immediately set up a monthly, quarterly or semi-annual meeting to discuss our current products, how they are working for the Treasurer's office, any new products and services that would be beneficial and address any questions or training needs that have come up. Furthermore, we will be available at any time to discuss any issues that may arise.

8. Are check images included with the monthly bank statements?
Yes they are included at no charge.

9. Will we be notified of any regulatory orders against Astra Bank within 30 day(s)?
In the event that Astra should be subject to any restrictive or penalizing regulatory action, Astra will notify the Treasurer's office as soon allowable, and in no event later than 30 days.

10. Can you include a copy of all applicable agreements Ellis County will be required to sign?
I have attached copies of all agreements we would need signed. This includes all internet banking services, ACH, wires, and merchant capture agreements. All of these agreements will be modified so that all services rendered to the Treasurer are free of charge and with the specific terms (length) of our contract.

11. Can you specify for the fee schedule in Exhibit B to read either "\$0.00", "no charge" or "free" instead of "N/A"?
Yes, all services in fee schedule "B" are at no charge. I can definitely re-attach a fee schedule if need be with that specific verbage.

Optional Banking Services

1. **Imaged Lockbox Service**

Astra Bank does not currently work with any customers that are utilizing an imaged lockbox service. However, we do handle monthly utility payments for several of our local municipalities via a recurring payments and automatic transfers. We would be open to the idea of trying to implement some type of service that would help facilitate payments to the treasurer's office.

2. **Automated Account Reconciliation**

Astra Bank does offer automated account reconciliation. This is used through our online cash management software. The account reconciliation tool matches debits to credits via check numbers and amounts.

3. **Fraud Prevention Services**

We have the ability to provide positive pay services, also through our online cash management software. There is no fee for any of the positive pay services.

We also offer Card Valet if you should ever need the use of a debit card with any of these accounts. It allows you to turn off/on your debit card so that it is only active when you want it to be. It also notifies you of transactions that have occurred with that debit card via your mobile phone.

4. Astra Bank will provide all services free of charge, see exhibit B. This includes all stop payments, wire transfers, ACH files, online banking, cash management, positive pay services, remote deposit capture and all other normal day-to-day transactional items. Therefore, there will not need to be a target balance for the Treasury to try and maintain for the purpose of paying fees.
5. Astra Bank does have access to sweep accounts, however, we will be offering an interest rate and structure that meets or exceeds what we can offer through these sweep accounts.
6. Astra Bank offers both Positive Pay services and Automated Account Reconciliation. Both of these services will be provided free of charge as stated on Exhibit B and as in statement #4 above.
7. Astra Bank is open to conversation of how we could best help the Treasurer's office facilitate payments, although we do not currently offer a traditional imaged lockbox service. Pricing for this type of service would be a negotiated price.
8. Astra Bank does offer other checking accounts, all of which are designed to pay the customer as much interest as possible and never incur a service charge. Our very experienced Personal Bankers would be able to design a plan that would get any other necessary accounts into

products that would avoid any minimum balance requirements, earn interest if applicable, and avoid any service fees.

9. We value the relationship of each and every one of our customers and strive to make each and every interaction a positive one. The relationship with Ellis County Treasurer would be one of our larger account relationships and is extremely important to us. We know that our products and our services will meet and hopefully exceed your expectations. We are small enough that we have the ability to be flexible in designing any products and services that might be unique to your operation, but are large enough that we have access to implement those services effectively.
10. Astra Bank has a very detailed and tested disaster recovery and business continuity plan. Please see the attached copies of our policy.

Other Value-Added Banking Services

Astra Bank does offer, again free of charge, Remote Deposit Services. Instead of the Treasurer having to bundle checks and physically bring them to the bank every day, this remote deposit capture service allows the customer to run the checks through a scanner, which the bank would supply. Those check images are then transmitted to Astra Bank and deposited directly into the account you designate.

Astra Bank has a dedicated deposit services team that are experts in everything related to the services that the Treasurer will need. This team will be available to you at any time.

Designated Account Liaison & Implementation

Astra Bank's Chief Financial Officer and Hays Market President, Bryan VonFeldt, will serve the Treasurer's office as the official account liaison. Bryan will be available to assist and consult with the Treasurer's office on any need that should arise. Bryan has been in the financial services sector for the past 11 years, all of which have been serving the Hays community, first with First National Bank and now with Astra Bank. Other members of the Astra team that will be available for any questions or concerns are as follows:

Tanna Thompson	Crystal Freed	Deb Bratton	Kyle Campbell
Chief Retail Officer	VP Operations	CSR Supervisor	President/CEO
785-263-1112	785-527-2268	785-628-2400	785-263-1112

Astra Bank staff will work with personnel of the Treasurer's office to set up a time-line for the transferring of assets to our bank. An account would be maintained at the existing bank until all checks have been cleared and the Direct Deposit Payroll has been set up and tested with Astra Bank.

Lead time for conversion will vary with each type of service:

- Checking accounts could be opened immediately.
- Internet Banking services would be set up at this same time.
- Astra Bank deposits operations would also set up cash management services as soon as the accounts are opened.
- Direct Deposit Payroll testing could start within a two week timeframe.
- Positive Pay and Account Reconciliation testing and training would be implemented as soon as personnel from the Treasurer's office are ready.
- Remote Deposit Capture Services would take approx. 3 weeks lead time to acquire the appropriate scanner and train staff.
- Our deposit operations group and Hays customer services representatives will be the primary staff working with your staff to ensure that the transition is as seamless as possible.

Astra Bank has excellent resources through our employees to accommodate all training necessary to use our services properly. Training and educating Treasury staff employees will be done at your preferred location, either at the bank or at your offices. Training dates and length of time needed will be set around the availability of the Treasury staff. The training can be done on an individual basis or as group.

Exhibit A

APPLICATION TO ACT AS DEPOSITORY
ELLIS COUNTY, KANSAS
REQUEST FOR PROPOSAL FOR BANKING SERVICES

BANK NAME Astra Bank

To: Lisa Schlegel
Ellis County Treasurer
PO Box 520
Hays KS 67601

The undersigned certifies that the bank submitting this proposal is an institution eligible to be a depository of public funds. Please answer the following three questions:

1. The financial institution is organized under the laws of:
 Kansas
 Another State: _____ (specify state)
 The United States
2. Does the financial institution have a "main office" as defined by K.S.A. 9-1408(f), as amended, in:
(a) The State of Kansas Yes No
(b) Ellis County, Kansas Yes No
3. Does the financial institution have a "branch office" as defined by K.S.A. 9-1408(g), as amended, in Ellis County, Kansas?
 Yes No

The undersigned hereby proposes, if selected by Ellis County, to furnish the following services at the prices and terms stated, subject to all instructions hereto. By submitting this signed proposal, the bank officially agrees to provide the services requested. This agreement covers all the terms, conditions and specifications of this proposal. The prices shall remain fixed for the term of the contract.

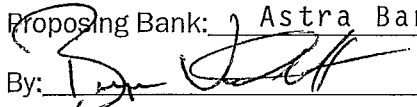
Proposing Bank: Astra Bank
By: 
Title: Chief Financial Officer / Hays Market President



Exhibit B

Responding Bank Name: Astra Bank

REQUIRED SERVICES	ESTIMATED ANNUAL VOLUME	CHARGE PER ITEM	ANNUAL CHARGE
ACH Credit (Initiated by Ellis County)	40	N/A	N/A
ACH Debit (Initiated by Ellis County)	50	N/A	N/A
Checks Paid	5,700	N/A	N/A
Stop Payments	25	N/A	N/A
Deposited Items	Daily	N/A	N/A
Deposited Items Returned	30	N/A	N/A
Incoming wire	15	N/A	N/A
Outgoing wire	25	N/A	N/A
Internet Banking	Daily	N/A	N/A
On-line ACH, Wire, Book Transfers	Daily	N/A	N/A
Current Day Balance Info	Daily	N/A	N/A
Prior Day Balance Info	Daily	N/A	N/A
Monthly Statements/Account Maintenance	12	N/A	N/A
Account Monitoring/Balance Reporting	Daily	N/A	N/A

OPTIONAL SERVICES	CHARGE PER ITEM	ANNUAL CHARGE
Imaged Lockbox Service	Negotiable	Negotiable
Purchase Card	N/A	N/A
Positive Pay (Checks)	N/A	N/A
ACH Positive Pay	N/A	N/A
Remote Deposit	N/A	N/A



Exhibit C

Responding Bank: Astra Bank

1. Describe the procedure for Positive Pay and ACH Positive Pay.

Through the online cash management tool, the Treasury would upload a file detailing any issued checks on a daily basis. The Positive Pay system then compares issued items against items that are being presented for payment. Any exception items are sent, also through the online cash management tool, back to the Treasury each morning. These would be any items that do not match up with an item that has been previously uploaded into the system as an issued item. The Treasurer's office would then be able to choose how to handle each one of those items on a case by case basis. That exception report would be a daily occurrence, as applicable.

2. Describe the procedure for sending direct deposits.

The Treasurer's office would simply upload the payroll file via the cash management tool along with a submittal sheet detailing the total number of files and dollar amount. The deposit operations staff with Astra bank would then verify all information and confirm back with the Treasurer's office before submitting the file for payment.

3. Describe the procedure for sending or receiving ACH transmissions.

Very similar to that of direct deposits, the Treasurer's office would upload an ACH file via online cash management along with a submittal sheet, which is then verified by deposit operations staff.

4. Are there any other fraud protection services, other than Positive Pay, that are offered?

We are always very cognizant of the ever increasing potential for fraud within the financial services industry and are continually looking for ways to mitigate as much of that risk as possible. As noted before, we do offer Positive Pay Services. With that we also have Wire Transfer call back verification, Card Valet, and real time fraud detection alerts within our debit card capabilities that we use to deter and mitigate fraud as much as possible.

5. Considering all of the financial data is equivalent, why should your financial institution be awarded the bid?

We believe the mission of Astra Bank and Ellis Co. Treasurer are very similar in nature. We are a community driven organization that strives to make the community surrounding us as successful as possible. Astra Bank is and always will be a community driven bank, in which local involvement and re-investment are of utmost importance. This potential relationship with the Ellis Co. Treasurer is a very important relationship for us and we will treat it as such. Anything that you need, we have local people ready to step up and take care of you at any time.