



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER _____

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DATE: 1/14/2025

**SUBJECT: CONSIDERATION TO ACCEPT AND APPROVE THE FEDERAL HOME
LOAN BANK OF CINCINNATI IRREVOCABLE LETTER OF CREDIT AS
COLLATERAL IN AN AMOUNT NOT TO EXCEED \$200,000,000.00 AND
EXTEND THE TERM**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court accept and approve the Federal Home Loan Bank (FHLB) Cincinnati Letter of Credit as collateral in an amount not to exceed \$200,000,000.00 and extend the term.

BACKGROUND

Tarrant County’s Depository Bank, JP Morgan Chase Bank, N.A., has provided the attached Letter of Credit from the FHLB of Cincinnati as a substitution for collateral. Total deposits will continue to be collateralized at 102% as required by law, and at least half or more of that collateral held will continue to be “full faith and credit” direct instruments of the United States. The FHLB Letter of Credit is an allowable option and recognized as eligible security under Collateral for Public Funds, Chapter 2257 of the Texas Government Code as well as Tarrant County’s Investment Policy.

In accordance with contract terms, the letter of credit is renewed on an annual basis and this action extends the expiration date to January 26, 2026. All other terms and conditions remain in full force and effect.

FISCAL IMPACT

There is no fiscal impact associated with this request.

SUBMITTED BY	Auditor	PREPARED BY:	Kimberly Buchanan
		APPROVED BY:	Kimberly Buchanan



Issue Date: 01/24/2025

LOC No.: x-xxxxx

Beneficiary: Tarrant County
100 E Weatherford
Fort Worth, Texas 76196

DRAFT

Ladies and Gentlemen:

For the account of JPMorgan Chase Bank, National Association, New York, NY we hereby authorize you to draw on us at sight up to an amount of \$200,000,000.00.

This letter of credit is irrevocable, unconditional and nontransferable.

Drafts drawn under this letter of credit must be accompanied by the original letter of credit and be presented in substantially the form attached as Exhibit A, at the office identified below by an authorized officer of the beneficiary no later than 2:00 P.M., Cincinnati time, on Friday, January 23, 2026.

This letter of credit sets forth in full the terms of our obligations to you, and such undertaking shall not in any way be modified or amplified by any agreement in which this letter is referred to or to which this letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any agreement.

We engage with you that multiple drafts drawn under and in compliance with the terms of this letter of credit will be duly honored at the Credit Department of the Federal Home Loan Bank of Cincinnati, 221 East Fourth Street, Cincinnati, Ohio 45202.

This letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication 600.

Sincerely,

Lisa Wishart
Vice President

Markus Pepper
Credit Operations Officer

**EXHIBIT A TO
IRREVOCABLE LETTER OF CREDIT**

SIGHT DRAFT

Federal Home Loan Bank of Cincinnati
221 E. Fourth Street, Suite 600
Cincinnati, Ohio 45202

_____ (Date)

_____ (Time of Receipt by FHLB of Cincinnati)

Pay on demand to _____ the sum of U.S.
_____ **Dollars** (\$ _____ **USD**). This draft
is drawn under your Irrevocable Letter of Credit No. _____.

_____ **Beneficiary**

By: _____
(Authorized Officer)

By: _____
(Authorized Officer)