

**FARMERSVILLE CITY COUNCIL  
REGULAR SESSION AGENDA  
JULY 24, 2012, 6:00 P.M.  
Council Chambers, City Hall  
205 S. Main Street**

**I. PRELIMINARY MATTERS**

- Call to Order, Roll Call, Prayer and Pledge of Allegiance
- Welcome guests and visitors: Anyone wanting to speak on any items that are not the subject of a Public Hearing on this agenda is asked to speak at this time, with an individual time limit of 3 minutes. This forum is limited to a total of 30 minutes. Please note that the City Council cannot comment or take any action on this item.
- **Congratulations to Fire Chief Kim Morris who has served 15 years as a Volunteer Fireman for the Farmersville Fire Department**

**II. PUBLIC HEARING**

- A. Public Hearing – The City of Farmersville will hold a public hearing regarding the Texas Department of Agriculture's CDBG Program. Citizens are encouraged to discuss the citizen participation plan, local housing and community development needs, available funding, eligible activities, past use of funds, and development of CDBG applications

**III. READING OF ORDINANCES**

- A. Second Reading – Consider, discuss and act upon Ordinance # O-2012-0724-001 regarding unreasonably loud or disturbing noise in the City
- B. First Reading – Consider, discuss and act upon Ordinance # O-2012-0814-001 naming the alley behind the East side of the square between College Street and South Main as "Onion Alley"
- C. Only Reading – Consider all matters incident and related to the execution and delivery of "City of Farmersville, Texas, Public Property Finance Contractual Obligations, Series 2012", including the receipt of bids therefore and the adoption of an ordinance approving and authorizing the execution and delivery of such contractual obligations to purchase a fire truck
- D. Only Reading – Consider all matters incident and related to the issuance and sale of "City of Farmersville, Texas, General Obligation Bonds, Series 2012", including the receipt of bids therefore and the adoption of an ordinance authorizing the issuance of such bonds to perform public streets, sewer and water projects

**IV. REGULAR AGENDA**

- A. Consider, discuss and act upon a resolution to apply for 2013-2014 Rural Community Development Block Grant assistance under the Community Development Fund

- B. Consider, discuss and act upon bids for the construction of the Chaparral Trail and authorizing the City Manager to negotiate a contract with bidder
- C. Consider, discuss and act upon a resolution designating the authorized representatives for Texpool relative to the Farmersville Economic Development Corporation (4A)
- D. Consider, discuss and act upon a resolution authorizing the City Manager to execute a health insurance contract with Texas Municipal League Intergovernmental Employee Benefits Pool
- E. Consider, discuss and act to create a new TexStar account for the 2012 GO Bond
- F. Consider, discuss and act upon applicable renewal agreements and associated information regarding broadband and communication services
- G. Consider, discuss and act upon an agreement between the City of Wylie and the City of Farmersville for air bottle recharging for the Farmersville Fire Department
- H. Comprehensive Plan update

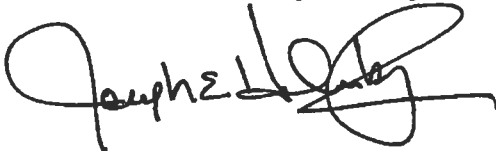
#### **V. BUDGET WORKSHOP**

- A. Consider, discuss and act upon Fiscal Year Budget 2012-2013
- B. Discuss and consider proposed tax rate, set two public hearing dates for the tax rate, and direct staff in the preparation of an ordinance for the establishment of the selected rate

#### **VI. ADJOURNMENT**

No action may be taken on comments received under "Recognition of Visitors".

**Dated this the 20<sup>th</sup> day of July, 2012.**



Joseph E. Helmberger, P.E., Mayor

*The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any matters listed on the agenda, as authorized by the Texas Government Code, including, but not limited to, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), 418.175-183 (Deliberations about Homeland Security Issues) and as authorized by the Texas Tax Code, including, but not limited to, Section 321.3022 (Sales Tax Information).*

*Persons with disabilities who plan to attend this meeting and who may need assistance should contact the City Secretary at 972-782-6151 or Fax 972-782-6604 at least two (2) working days prior to the meeting so that*

*appropriate arrangements can be made. Handicap Parking is available in the front and rear parking lot of the building.*

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted in the regular posting place of the City Hall building for Farmersville, Texas, in a place and manner convenient and readily accessible to the general public at all times, and said Notice was posted July 20, 2012 by 5:00 P.M. and remained so posted continuously at least 72 hours proceeding the scheduled time of said meeting.

A handwritten signature in blue ink, appearing to read "Edie Sims".

Edie Sims, City Secretary





**TO:** Mayor and Councilmembers

**FROM:** City Manager Ben White

**DATE:** June 24, 2012

**SUBJECT:** Public Hearing – The City of Farmersville will hold a public hearing regarding the Texas Department of Agriculture's CDBG Program. Citizens are encouraged to discuss the citizen participation plan, local housing and community development needs, available funding, eligible activities, past use of funds, and development of CDBG applications

Project information is attached for review.

**ACTION:**

- 1) Open Public Hearing and call the time.**
- 2) Ask for those FOR applying for the CDBG grant**
- 3) Ask for those OPPOSING applying for the CDBG grant**
- 4) Close Public Hearing and call the time.**

(II – A)

**From: Cloy at GrantWorks**  
**Eddy Daniel**  
**Engineer for CDBG Project in Farmersville**

TDA has established mid-October as the estimated deadline for the Texas Community Development Fund deadline. Due to significant changes in the scoring of applications with each region having its own scoring criteria, there is a need to coordinate activities with our client to obtain the highest score possible. The project must balance the needs of our client with the scoring criteria. Effective communication between the client, consulting engineer and grant writer will be essential. When preparing the budget there are several items and considerations required, as follows.

The first application workshop is scheduled for July 9<sup>th</sup> in Austin. Shortly after the workshop I will provide the 2013-14 Table II to you with instructions.

Be sure to complete section "Identify and explain the annual projected operation and maintenance costs associated with the proposed activities".

Be sure to Name Grantee at Bottom of Table.

We recommend aggregating budget line items where possible on the Table 2, omitting extra detail.

For example, standard valves, fittings, gaskets, or other items could be lumped together as "appurtenances," various sewer line depth costs could be aggregated to show a total figure and average cost, etc.

Typically, for a water or sewer line project, TDA only needs approximate lengths of various line diameter (i.e. 4" to 8" PVC Line, 5,000 LF).

- First time service connections as lump sum, service reconnections as lump sum;
- Appurtenances (lump sum);
- Any special items that have a relatively high cost (bore/case, booster pump, etc.) as lump sum.

The details will be in the contract specifications for bidding but is not preferred for the application. This will reduce the need for future time-consuming amendments to alter the number of valves, for example.

In addition, if there are multiple activities such as water and sewer, the engineering fees (design, survey, additional services) must be broken out for each activity. We suggest that for first time services that the service lines, which are budgeted as Housing Rehabilitation activities, show no engineering since these items are on private property.

**Engineering Fees** paid with grant funds may not exceed 25% of the grant amount, according to TDA's new requirements. Any excess fees must be paid by the locality out of matching funds. This will not show up on your Table 2, but we must indicate it on the Table 1 where the sources and uses of funding are described.

**Map(s)** Please provide mapping for city grant activities using a jurisdiction wide map showing the location of the improvements. If necessary, there could be multiple maps showing the general vicinity of the Target Area(s) on the jurisdictional wide map and then a map(s) showing a detailed Target Area(s). Street names must be included and be legible.

A **letter from the engineer** justifying the project activity(s) may be necessary; we will notify you if needed.

We will need your assistance for the **Project Activity(s) Specific Questions**, to report capacities and compliance with TCEQ requirements to TDA. This request will be forwarded to you once the project type is determined and the new application forms are available.

**Budget Information for Table 2**

The funds available for this application are as follows:

Grant Funds:	\$275,000
Match:	\$41,250
Total Funds:	\$316,250
Less Grant Admin:	\$30,250
<b>Table 2 Budget Items:</b>	<b>Table 2 Budget:</b>
Engineering, Construction, Acquisition (if required)	<b>\$286,000</b>

Note, the matching funds are expected to be cash so may be used to pay for contracted construction or engineering services, or for acquisition.

If you have any questions, please do not hesitate to contact me. I am looking forward to working with you on this project.

Cloy Richards  
GrantWorks Consultant  
512-567-4309 (cell)  
903-447-5683 (home/office)



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Second Reading – Consider, discuss and act upon Ordinance # O-2012-0724-001 regarding unreasonably loud or disturbing noise in the City

Ordinance is attached for review.

**ACTION: Approve or disapprove the Ordinance at the second reading.**

(III - A)

**CITY OF FARMERSVILLE  
ORDINANCE # O-2012-0724-001**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERSVILLE, TEXAS, AS HERETOFORE AMENDED, THROUGH THE AMENDMENT OF CHAPTER 44, "NUISANCES," THROUGH THE AMENDMENT OF ARTICLE II "NOISE REGULATION," BY AMENDING THE TITLE OF DIVISION 2 OF SAID ARTICLE II TO HEREAFTER BE AND READ "NOISE DISTURBANCES," AND BY DELETING EXISTING SECTIONS 44-49 THROUGH 44-51, THEREOF, AND REPLACING SAID SECTIONS WITH NEW SECTIONS 44-49 THROUGH 44-51, ENTITLED "DEFINITIONS," "SPECIFIC NOISE DISTURBANCE PROHIBITED" AND "EXEMPTIONS," RESPECTIVELY; PROVIDING A PENALTY; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING ENGROSSMENT AND ENROLLMENT; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Farmersville realize that noise nuisances can be detrimental or offensive to the inhabitants of the City; and

**WHEREAS**, the City's duty is to protect the citizens of Farmersville to assist the enjoyment of life, health and not have contention regarding public peace and comfort; and

**WHEREAS**, all legal requirements, conditions, and prerequisites have been complied with prior to this recommended text amendment coming before the City Council of the City of Farmersville; and

**WHEREAS**, the City Council of the City of Farmersville, after notice and public hearing as required by law and upon due deliberation and consideration, the City Council is of the opinion and finds that disturbing noise, the intensity and duration to be detrimental to the public health, safety, or general welfare of the citizens of the City;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS:**

**SECTION 1. INCORPORATION OF FINDINGS**

All of the above premises are hereby found to be true and correct legislative and factual determinations of the City of Farmersville and are hereby approved and incorporated into the body of this Ordinance and made a part hereof for all purposes allowed by law as if fully set forth herein.



**SECTION 2. AMENDMENT OF ARTICLE II “NOISE REGULATION,” OF CHAPTER 44, “NUISANCES,” BY AMENDING THE TITLE OF DIVISION 2 OF SAID ARTICLE II TO HEREAFTER BE AND READ “NOISE DISTURBANCES,” AND BY DELETING EXISTING SECTIONS 44-49 THROUGH 44-51 ENTITLED “DEFINITIONS,” “SPECIFIC NOISE DISTURBANCE PROHIBITED,” AND “EXEMPTIONS,” RESPECTIVELY.**

From and after the effective date of this Ordinance, the title of Division 2 of Article II of Chapter 44, “Nuisances,” of the Code of Ordinances is hereby amended to be and read “Noise Disturbances” and existing Sections 44-49 through 44-51, thereof, are hereby amended by deleting said sections in their entirety and replacing said sections with new Sections 44-49 through 44-51 entitled “Definitions,” “Noise Nuisance,” and “Exemptions,” respectively, to read as follows:

**“DIVISION 2 – NOISE DISTURBANCES**

**Sec. 44-49. - Definitions.** The following words, terms and phrases when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*City* means the City of Farmersville, employees or any authorized representative of the city.

*Construction* means any site preparations, assembly, erection, substantial repair, alteration or similar action (excluding demolition) of public or private right-of-way surfaces, structures, utilities or similar property.

*Demolition* means any dismantling, intentional destruction or removal of public or private right-of-way surfaces, structures, utilities or similar property.

*Device* means any mechanism which is intended to produce, or which actually produces noise when operated or handled.

*Engine braking* means the use of retarding forces within an engine to slow a vehicle down, as opposed to using an external braking mechanism, such as friction brakes or magnetic brakes. This term applies to petrol engines and other engines that throttle air intake.

*Motor vehicle* means any vehicle propelled by mechanical power such as, but not limited to, any passenger car, truck, truck-trailer, semi-trailer, camper, motorcycle, mini-bike, pocket bike, go-cart, dune buggy or racing vehicle.

*Muffler* means any apparatus consisting of baffles, chambers, or acoustical absorbing material whose primary purpose is to transmit liquids or gases while causing a significant reduction in sound emission.

*Noise disturbance* means any sound which annoys or disturbs, or which causes or tends to cause an adverse psychological or physiological effect upon, the sensibilities of a reasonable, prudent, adult person; and any

unreasonably loud or disturbing noise which renders the enjoyment of life or property uncomfortable or interferes with public peace and comfort.

*Noise disturbance per se* means not requiring extraneous evidence or support to establish the existence of a noise disturbance.

*Nonresidential district* means any district not classified by the zoning ordinance as containing residential homes, apartments or condominiums.

*Owner* means any person having supervision or control of any property.

*Power equipment* means any motorized electric- or fuel-powered equipment including but not limited to, tractors, lawnmowers, and other similar devices or equipment.

*Power model vehicle* means any self-propelled airborne, waterborne, or land-borne plane, vessel, or vehicle, which is not designed to carry persons including, but not limited to, any model airplane, boat, car or rocket.

*Property* means any lot, tract, parcel of land or a portion thereof, occupied or unoccupied, improved or unimproved, public or private within the territorial limits of the city.

*Property boundary* means an imaginary line exterior to any enclosed structure, at the ground surface and its vertical extension, which separates the real property owned by one person from that owned by another person.

*Quiet zone* means property on which a school, hospital, nursing home, assisted living facility, clinic, library or other noise sensitive facility is operated.

*Residential district* means any district classified by the zoning ordinance as containing residential homes, apartments, condominiums or dwelling units.

*Roadway* means any street, alley, parkway, sidewalk or gutter.

*Sound* means a temporal or spatial oscillation in pressure, or other physical quantity, in a medium with internal forces that causes compression and rarefaction of that medium, and which propagates at finite speed to distant points.

*Vibration* means a temporal and spatial oscillation of displacement, velocity or acceleration in a solid material.

**Sec. 44-50. - Specific noise disturbance prohibited.**

- 1) No person shall allow, make or cause to be made any unreasonable loud or disturbing noise which is offensive to the sensibilities of a reasonable, prudent adult person, renders the enjoyment of life or property uncomfortable, interferes with public peace and comfort, or causes a noise disturbance as defined.
- 2) The following includes, but is not limited to, activities which can create unreasonably loud or disturbing noises in violation of this article including activities which are noise disturbances per se, unless an exemption applies.
- 3) *Animals.* Owning, keeping, possessing or harboring any animal or fowl which by frequent or habitual noise making, unreasonably disturbs or interferes with the peace, comfort or repose of citizens, or causes a noise disturbance as defined herein. The provision of this article shall apply to all private or public facilities including any animal shelter or commercial kennel, which holds or treats animals.
- 4) *Radios, television sets, musical instruments, loud speaking amplifiers and similar devices.*
  - a) The using, operating or permitting to be played, used or operated any sound production or reproduction device, radio, receiving set, musical instrument, drums, phonograph, television set, loudspeakers and sound amplifiers or other machine or device for the producing or reproducing of sound within a residential district, or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. to 6:00 a.m.
  - b) The using, operating or permitting to be played, used or operated any sound production or reproduction device, radio, receiving set, musical instrument, drums, phonograph, television set, loudspeaker and sound amplifiers or other machine or device for the producing or reproducing of sound within a nonresidential area in such a manner as to cause a noise disturbance.
  - c) The using, operating or permitting to be played, used or operated any sound production or reproduction device, radio, receiving set, musical instrument, drums, phonograph, television set, loudspeakers and sound amplifiers or other machine or device that produces or reproduces sound for the purpose of attracting attention to any cause or demonstration, or to any performance, show, sale or display of merchandise so as to attract attention to such cause,

demonstration or premises when such use is done in a manner which causes a noise disturbance.

- d) The using, operating permitting to be played, used or operated any sound production or reproduction device, radio, receiving set, musical instrument, drums, phonograph, television set, loudspeakers and sound amplifiers or other machine or device on trucks or other moving vehicles for the purpose of attracting attention to any cause or demonstration, or for advertising any show, sale or display of merchandise when such use is done in a manner which causes a noise disturbance.
- 5) *Vehicular sound amplification systems.* Operating or controlling a motor vehicle in either a public or private place within the city and operating any sound device which is part of, or connected to, any radio, stereo receiver, compact disc player, cassette tape player, or other similar device in the motor vehicle in such a manner that, when operated, it is audible at a distance of 30 feet, or when operated, causes a person to be aware of the vibration accompanying the sound at a distance of 30 feet from the source when such operation is done in a manner which causes a noise disturbance.
- 6) *Yelling, shouting, etc.* The yelling, shouting, crying, hooting, whistling or singing of peddlers, hawkers or any other person in such a manner to cause a noise disturbance.
- 7) *Loading operations.* The loading or unloading of any vehicle in such a manner as to cause a noise disturbance.
- 8) *Construction/maintenance work.*
  - a) Operating or permitting to be operated any equipment used in construction, maintenance, repair, alteration or demolition work on buildings, structures, streets, alleys, lawns, golf courses or appurtenances thereto and/or the erection, including excavation, demolition, alteration or repair of any building within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.
  - b) Operating or permitting to be operated any gravel pit, rock crusher, or other machinery for the separation, gathering, grading, loading or unloading of sand, rock or gravel within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall

create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.

- c) Operating or permitting to be operated any gravel pit, rock crusher or other machinery for the separation, gathering, grading, loading or unloading of sand, rock or gravel within a nonresidential district in such a manner as to cause a noise disturbance.
- d) Operating or permitting to be operated any equipment used in construction, maintenance, repair, alteration or demolition work on buildings, structures, streets, alleys, lawns, golf course or appurtenances thereto within a nonresidential district in such a manner as to cause a noise disturbance.

9) *Power equipment.*

- a) Operating or permitting to be operated any power equipment (as defined herein and excluding construction equipment which is specifically regulated above) within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.
- b) Operating or permitting to be operated any power equipment (as defined herein and excluding construction equipment which is specifically regulated above) within a nonresidential district in such a manner as to cause a noise disturbance.

10) *Motor vehicles – repairs or testing.*

- a) The repairing, rebuilding, modifying or testing of any motor vehicle (including off-road vehicles) or watercraft within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.
- b) The repairing, rebuilding, modifying or testing of any motor vehicle (including off-road vehicles) or watercraft within a nonresidential district in such a manner as to cause a noise disturbance.

11) *Motor vehicles – running loud or out of repair.*

- a) The use of any automobile, motorcycle, or other vehicle so out of repair, so modified, or so loaded, which emits or creates loud or unnecessary grating, grinding or rasping noise, the excessive spinning of the tires, or the racing of a

motor vehicle engine unnecessarily within a residential district or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.

- b) The use of any automobile, motorcycle or other vehicle so out of repair, so modified, or so loaded, which emits or creates loud or unnecessary grating, grinding, or rasping noise, the excessive spinning of the tires, or the racing of a motor vehicle engine unnecessarily within a nonresidential district in such a manner as to cause a noise disturbance.
- 12) *Motor vehicles -- exhaust.* The discharge into the open air of the exhaust of any motor vehicle in such a manner as to cause a noise disturbance, except as discharged through a muffler or other device which effectively and efficiently prevents loud and unusual noises and annoying smoke.
  - 13) *Motor vehicles – engine braking.* Engine braking occurs when the retarding forces within an engine are used to slow a vehicle down, as opposed to using an external braking mechanism such as friction brakes or magnetic brakes which causes a noise disturbance.
  - 14) *Motor vehicles – jake braking.* Engine braking used mainly in large diesel trucks and works by opening the exhaust valves at the top of the compression stroke, resulting in adiabatic expansion of the compressed air, so the large amount of energy stored in that compressed air is not returned to the crankshaft, but is released into the atmosphere which causes a noise disturbance.
  - 15) *Explosive devices.* Explosive sound sources including, but not limited to, the use of fireworks, explosives, and the firing of guns or other explosive devices in such a manner as to cause a noise disturbance; provided however, that no such noise disturbance shall be deemed to exist when the activity is allowed or sanctioned by ordinance or other authority and the activity is conducted in strict accordance with said ordinance or authority.
  - 16) *Powered model mechanical devices.*
    - a) The flying of model aircraft powered by internal combustion engines, whether tethered or not, or the firing or operating of model rocket vehicles or other similar noise producing devices, within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. Furthermore, any such activity shall create a noise disturbance per se if conducted between the hours of 10:00 p.m. and 6:00 a.m.

- b) The flying of model aircraft powered by internal combustion engines, whether tethered or not, or the firing or operating of model rocket vehicles or other similar noise producing devices within a nonresidential district in such a manner as to cause a noise disturbance.
- 17) *Quiet Zone.* Creating a noise disturbance on any street adjacent to any school, hospital, nursing home, assisted living facility, clinic, library or other noise sensitive facility.
- 18) *Vibration.* Using or causing to use any device that creates any ground vibration, which is perceptible without instruments at any point on or beyond the property boundary of the source.

**Sec. 44-51. – Exemptions.**

The following sources of potential noise disturbances shall be exempt from the regulations of this article:

- 1) Safety signals, storm warning sirens or horns and the testing of such equipment, emergency vehicle sirens or horns used when responding to an emergency, and emergency pressure relief valves.
- 2) Sound caused in the performance of emergency or public service work, including police, fire and public utility operations, acting in the performance of lawful duties to protect the health, safety or welfare of the community.
- 3) Sounds caused by natural phenomena.
- 4) Activities conducted on public streets, squares, parks and playgrounds which are approved, sponsored or sanctioned by the city such as a parade, fireworks, sporting event, musical production, or other activity that has the approval of the city council or a city department authorized to grant such approval.
- 5) Activities conducted on public or private school grounds including, but not limited to, school athletic and school entertainment events which are approved, sponsored or sanctioned by the school."
- 6) Sounds created by locomotives as they travel through the City.

**SECTION 3. PENALTY**

Any person violating any of the provisions of this article shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$500.00. A separate offense shall be deemed committed upon each day during or on which a violation or failure to comply occurs or continues to occur. Allegation and

evidence of a culpable mental state is not required for the proof of an offense defined by this article.

#### **SECTION 4. SEVERABILITY**

It is hereby declared to be the intention of the City Council that the several provisions of this Ordinance are severable, and if any court of competent jurisdiction shall judge any provisions of this Ordinance to be illegal, invalid, or unenforceable, such judgment shall not affect any other provisions of this Ordinance which are not specifically designated as being illegal, invalid or unenforceable.

#### **SECTION 5. REPEALER**

This Ordinance shall be cumulative of all other Ordinances, resolutions, and/or policies of the City, whether written or otherwise, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Any and all ordinances, resolutions, and/or policies of the City, whether written or otherwise, which are in any manner in conflict with or inconsistent with this Ordinance shall be and are hereby repealed to the extent of such conflict and/or inconsistency.

#### **SECTION 6. PUBLICATION**

The City Secretary of the City of Farmersville is hereby directed to publish in the Official Newspaper of the City of Farmersville the Caption, Penalty and Effective Date Clause of this Ordinance as required by Section 52.011 of the Texas Local Government Code.

#### **SECTION 7. ENGROSSMENT AND ENROLLMENT**

The City Secretary of the City of Farmersville is hereby directed to engross and enroll this Ordinance by copying the exact Caption and the Effective Date clause in the minutes of the City Council of the City of Farmersville and by filing this Ordinance in the Ordinance records of the City.

#### **SECTION 8. SAVINGS**

All rights and remedies of the City of Farmersville are expressly saved as to any and all violations of the provisions of any Ordinances which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

#### **SECTION 9. EFFECTIVE DATE**

This Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by Texas law.

**PASSED** on first reading on the 10<sup>th</sup> day of July, 2012, and second reading on the 24<sup>th</sup> of July, 2012, at properly scheduled meetings of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.



**APPROVED THIS 24<sup>th</sup> DAY OF JULY, 2012.**

**APPROVED:**

BY: \_\_\_\_\_  
Joseph E. Helmberger, P.E., Mayor

**ATTEST:**

\_\_\_\_\_  
Edie Sims, City Secretary



**TO:** Mayor and Councilmembers

**FROM:** City Manager Ben White

**DATE:** June 24, 2012

**SUBJECT:** First Reading – Consider, discuss and act upon Ordinance # O-2012-0814-001 naming the alley behind the East side of the square between College Street and South Main as "Onion Alley"

Ordinance is attached for review

**ACTION:** Approve or disapprove first reading of the Ordinance.

(III - B)

**CITY OF FARMERSVILLE  
ORDINANCE # O-2012-0814-001**

**AN ORDINANCE OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE CODE OF ORDINANCES, CITY OF FARMERSVILLE, TEXAS, AS HERETOFORE AMENDED, THROUGH THE ADOPTION OF THE STREET NAME "ONION ALLEY" FOR THE UNNAMED ALLEY SITUATED BEHIND THE BUILDINGS ALONG AND ABOUT THE EAST SIDE OF NORTH MAIN STREET AND SOUTH MAIN STREET THAT EXTENDS IN A SOUTH AND EASTERLY DIRECTION FROM COLLEGE STREET TO SOUTH MAIN STREET IN ACCORDANCE WITH SECTION 62-64, "STREET NAMES APPROVED BY COUNCIL," AND THROUGH THE AMENDMENT OF CHAPTER 62, "STREETS, SIDEWALKS AND OTHER PUBLIC PLACES," BY AMENDING SECTION 62-66, ENTITLED "STREET NAMES ADOPTED," BY INSERTING THE STREET NAME "ONION ALLEY" IN SECTION 62-66 IN ALPHABETICAL ORDER; REPEALING ORDINANCES IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY; PROVIDING FOR GOVERNMENTAL IMMUNITY; PROVIDING FOR INJUNCTIONS; PROVIDING FOR NOTICE AND IMPLEMENTATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the alley that runs behind the buildings situated along and about the eastern side of North Main Street and South Main Street and which extends from College Street at its northern end in a southerly direction to the northern side of the Onion Shed and then in an easterly direction to South Main Street at the southern end of the alley (the "Alley") is not named; and

**WHEREAS**, the Alley is used in conjunction with special events hosted by the City including Old Time Saturday and Audie Murphy Day as well as other special events; and

**WHEREAS**, the City desires to adopt a name for the Alley to denote the historical value of the Alley by utilizing the existence of the Onion Shed, and it's historical value as the focal point; and

**WHEREAS**, the City desires to amend Section 62-66 of the City Code to add a name for the Alley; and

**WHEREAS**, the City Council of the City of Farmersville, Texas finds that all prerequisites to the adoption of this Ordinance have been met; and

**WHEREAS**, the City Council of the City of Farmersville, Texas finds that it is in the best interest of the public health, safety and welfare to name the existing alley;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, THAT:**

## **SECTION 1. FINDINGS INCORPORATED**

All of the above premises are hereby found to be true and correct legislative and factual determinations of the City of Farmersville and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

## **SECTION 2. ADOPTION OF THE STREET NAME 'ONION ALLEY' FOR THE UNNAMED ALLEY SITUATED BEHIND THE BUILDINGS ALONG AND ABOUT THE EAST SIDE OF NORTH MAIN STREET AND SOUTH MAIN STREET THAT EXTENDS IN A SOUTH AND EASTERLY DIRECTION FROM COLLEGE STREET TO SOUTH MAIN STREET IN ACCORDANCE WITH SECTION 62-64, "STREET NAMES APPROVED BY COUNCIL"**

From and after the effective date of this Ordinance, and in accordance with the requirements of Section 62-64, "Street names approved by Council," the unnamed alley that runs behind the buildings situated along and about the eastern side of North Main Street and South Main Street and which extends from College Street at its northern end in a southerly direction to the northern side of the Onion Shed and then in an easterly direction to South Main Street at the southern end of the alley is hereby named "Onion Alley."

## **SECTION 3. AMENDMENT OF ARTICLE 62, "STREETS, SIDEWALKS AND OTHER PUBLIC PLACES," BY AMENDING SECTION 62-66, ENTITLED "STREET NAMES ADOPTED," BY INSERTING THE NAME "ONION ALLEY" INTO SAID SECTION IN ALPHABETICAL ORDER.**

From and after the effective date of this Ordinance, Chapter 62, "Streets, Sidewalks and Other Public Places," of the Code of Ordinances is hereby amended by amending Section 62-66, "Street names adopted," by inserting the name "Onion Alley" into the list of street names contained in said Section 62-66 in alphabetical order.

## **SECTION 4. WRITTEN NOTICE OF CHANGE IN STREET NAME AND CHANGE IN SIGNAGE**

City staff shall provide written notice of the street name changes contained in Section 2, above, together with the effective date of such street name changes to the United States Postal Service, all emergency service providers and governmental entities within whose jurisdiction such properties are situated, and the owners and tenants of all properties affected by the foregoing street name change. New signage reflecting the street name changes contained in Section 62-65 should be installed by the City within thirty (30) days following the effective date of this Ordinance.

## **SECTION 5. CUMULATIVE REPEALER**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

## **SECTION 6. SAVINGS**

All rights and remedies of the City of Farmersville are expressly saved as to any and all violations of the provisions of any Ordinances which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

## **SECTION 7. SEVERABILITY**

It is hereby declared to be the intention of the City Council of the City of Farmersville that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance should be declared unconstitutional by valid judgment or final decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance, since the same would have been enacted by the City Council without incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

## **SECTION 8. GOVERNMENTAL IMMUNITY**

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Farmersville in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

## **SECTION 9. INJUNCTIONS**

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Farmersville in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Farmersville.

## **SECTION 10. ENGROSSMENT AND ENROLLMENT**

The City Secretary of the City of Farmersville is hereby directed to engross and enroll this Ordinance by copying the exact Caption and the Effective Date clause in the minutes of the City Council of the City of Farmersville and by filing this Ordinance in the Ordinance records of the City.

## **SECTION 11. EFFECTIVE DATE**

The change in street name adopted by this Ordinance shall take effect upon the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**PASSED** on first reading on the 24th day of July, 2012, and second reading on the 14th day of August, 2012 at properly scheduled meetings of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

**APPROVED THIS 14th DAY OF AUGUST, 2012**

**APPROVED:**

BY: \_\_\_\_\_  
Joseph E. Helmberger, P.E., Mayor

**ATTEST:**

\_\_\_\_\_  
Edie Sims, City Secretary



**TO:** Mayor and Councilmembers

**FROM:** City Manager Ben White

**DATE:** June 24, 2012

**SUBJECT:** Only Reading – Consider all matters incident and related to the execution and delivery of “City of Farmersville, Texas, Public Property Finance Contractual Obligations, Series 2012”, including the receipt of bids therefore and the adoption of an ordinance approving and authorizing the execution and delivery of such contractual obligations to purchase a fire truck

A presentation will be made by FirstSouthwest and will include a book with complete details of the sale of the bonds, including the ordinance completed.

**ACTION:** Approve or disapprove the only reading for the Ordinance regarding the bond for the purchase of a fire truck

**CITY OF FARMERSVILLE  
ORDINANCE # O-2012-0724-002**

**AN ORDINANCE approving and authorizing the execution and delivery of “CITY OF FARMERSVILLE, TEXAS, PUBLIC PROPERTY FINANCE CONTRACTUAL OBLIGATIONS, SERIES 2012”; specifying the terms of such contracts; making provisions for the payment thereof; and resolving other matters incident and related to the execution, performance and payment of such contracts, including the approval and execution of a Paying Agent/Registrar Agreement and the approval and distribution of an Official Statement pertaining thereto; and providing an effective date.**

**WHEREAS**, pursuant to V.T.C.A., Local Government Code, Subchapter A of Chapter 271, as amended (the “Public Property Finance Act”), the City Council is authorized and empowered to execute, perform and make payments under contracts with any person for the use, acquisition or purchase of personal property; and

**WHEREAS**, in accordance with the provisions of the Public Property Finance Act, the City Council hereby finds and determines that the acquisition, use or purchase of certain items of personal property identified in Exhibit A attached hereto, or such other personal property, appliances, equipment, furnishings, or interests therein, considered by the City Council to be necessary, useful and/or appropriate for purposes of the City, should be financed under and pursuant to one or more contractual obligations to be executed and delivered on the terms and in the form hereinafter prescribed; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS:**

**SECTION 1: Contract Authorization - Contract Amount -Property Identification.** Contracts, aggregating in amount \$265,000 (the “Aggregate Contract Amount”) and entitled “City of Farmersville, Texas, Public Property Finance Contractual Obligations, Series 2012” (the “Contractual Obligations” or the “Contracts”) shall be and are hereby authorized to be executed and delivered with the Initial Contracting Party, and the assigns thereof, to finance the use or the purchase or other acquisition of personal property identified in **Exhibit A** attached hereto and incorporated herein by reference as a part of this Ordinance for all purposes, or such other personal property, appliances, equipment, furnishings, or interests therein, considered by the City Council to be necessary, useful and/or appropriate for purposes of the City (the “Property”); all in accordance with and pursuant to authority conferred by the laws of the State of Texas, particularly the Public Property Finance Act.

**SECTION 2: Fully Registered Form - Contract Date - Authorized Amounts-Installment Payments-Interest Rate.** The Contracts shall be made, executed and delivered in fully registered form, bear a date of July 15, 2012 (the “Contract Date”), and, except for the Initial Contract authorized in Section 8 hereof, shall be in authorized amounts of \$5,000 or any integral multiple thereof (not to exceed an Installment Amount), and the



Aggregate Contract Amount shall be payable in annual installments (the "Installment Amounts") on February 15 in the amounts and interest shall accrue on such Installment Amounts at the per annum rate(s) as follows:

<u>Payment Date</u>	<u>Installment Amount</u>	<u>Interest Rate(s)</u>
2013	\$ 25,000	
2014	25,000	
2015	25,000	
2016	25,000	
2017	25,000	
2018	25,000	
2019	25,000	
2020	30,000	
2021	30,000	
2022	30,000	

Interest on the unpaid Installment Amounts shall accrue from the Contract Date (calculated on the basis of a 360-day year of twelve 30-day months) and such interest shall be payable on February 15 and August 15 in each year, commencing February 15, 2013.

**SECTION 3: Terms of Payment-Paying Agent/Registrar.** The Installment Amounts on each Contract and the interest thereon shall be payable only to the registered contracting party or person (hereinafter called the "Contracting Party") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and such Installment Amounts and the interest payable thereon shall be payable in coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and without exchange or collection charges to the Contracting Party.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas to serve as Paying Agent/Registrar for the Contracts is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Contracts (the "Contract Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit B**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and City Secretary are hereby authorized to execute and deliver such Agreement in connection with the delivery of the Contracts. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Contracts are paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity qualified to perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Contracts, the City agrees to promptly cause a written notice thereof to be sent to each

Contracting Party by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Installment Amounts shall be payable when due only upon the presentation and surrender of the Contracts to the Paying Agent/Registrar at its designated offices in East Syracuse, New York (the "Designated Payment/Transfer Office"). Interest on the Installment Amounts shall be paid to the Contracting Parties which appear in the Contract Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Contracting Party recorded in the Contract Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Contracting Party. If the date for the payment of an Installment Amount or interest thereon shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/ Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Contracting Party appearing on the Contract Register at the close of business on the last business day next preceding the date of mailing of such notice.

**SECTION 4: Prepayment.** The Installment Amounts of the Contracts shall not be subject to prepayment at the option of the City.

**SECTION 5: Assignment - Registration-Transfer-Exchange of Contracts.** The Paying Agent/Registrar shall obtain, record, and maintain in the Contract Register the name and address of each and every Contracting Party to a Contract executed and delivered under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Contract may be assigned, transferred or exchanged for Contracts of other authorized amounts by the Contracting Party, in person or by his duly authorized agent, upon surrender of such Contract to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of assignment and transfer or request for exchange duly executed by the Contracting Party or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Any Contract to be assigned and transferred shall be surrendered to the Paying Agent/Registrar and, upon its receipt and cancellation, the Paying Agent/Registrar shall

register and deliver, in the name of the designated assignee or transferee, one or more new Contracts of authorized amounts and, except for the assignment and transfer of the Initial Contract by the Initial Contracting Party, having the same Payment Date and of a like Installment Amount as the Contract or Contracts surrendered for assignment and transfer.

Contracts may be exchanged for Contracts of other authorized amounts and having the same Payment Date, bearing the same rate of interest and of like aggregate Installment Amount as the Contracts surrendered for exchange, upon surrender of the Contracts to be exchanged to the Paying Agent/Registrar. Whenever any Contracts are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Contracts to the Contracting Party requesting the exchange.

When a Contract has been duly assigned and transferred or exchanged, the new Contract or Contracts registered in such assignment and transfer or exchange shall be delivered to the Contracting Party at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class, postage prepaid to the Contracting Party, and, upon the registration and delivery thereof, such Contracts shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Contracts surrendered in such assignment and transfer or exchange.

All transfers or exchanges of Contracts pursuant to this Section shall be made without expense or service charge to the Contracting Party, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Contracting Party requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Contracts cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Contracts," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Contract or Contracts registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Contracts" shall include any mutilated, lost, destroyed, or stolen Contract for which a replacement Contract has been registered and delivered in lieu thereof pursuant to the provisions of Section 11 hereof and such new replacement Contract shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Contract.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained herein relating to the payment of and transfer/exchange of the Contracts, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the Blanket Letter of Representations, by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Contracts shall be deposited with DTC, who shall hold said Contracts for its participants (the "DTC Participants"). While the Contracts are held by DTC under the Depository Agreement, the Holder of the Contracts on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Contract (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Contracts or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Contracts, the City covenants and agrees with the Holders of the Contracts to cause Contracts to be printed in definitive form and provide for the Contract certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Contracts in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Contracts shall be made in accordance with the provisions of Sections 3 and 5 hereof.

**SECTION 7: Execution - Registration.** The Contracts shall be executed on behalf of the City by the Mayor, with the seal of the City reproduced or impressed thereon and countersigned by the City Secretary. The signature of such officers on the Contracts may be manual or facsimile. Contracts bearing the manual or facsimile signatures of the persons holding such offices on the Contract Date shall be deemed to be duly executed on behalf of the City, notwithstanding a change in persons holding such offices at the time of delivery of the Contracts to the Initial Contracting Party and with respect to Contracts delivered in subsequent assignments and transfers or exchanges.

No Contract shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless the registration certificate appearing on the Contracts to be signed by the Comptroller of Public Accounts of the State of Texas (substantially in the form provided in Section 9(c) and/or the Paying Agent/Registrar (substantially in the form provided in Section 9(d), either or both such certificates, as the case may be, are manually executed by an authorized officer, employee or representative of the Comptroller of Public Accounts and/or the Paying Agent/Registrar, and such registration certificate, either or both, upon any Contract when duly executed by the Comptroller of Public Accounts and/or the Paying Agent/Registrar, as the case may be, shall be conclusive evidence, and the only evidence, that such Contract has been duly certified, registered and delivered.

**SECTION 8: Initial Contract(s).** The Contracts herein authorized may be initially executed and delivered either (i) as a single fully registered Contract in the Aggregate Contract Amount with Installment Amounts to become due and payable as provided in Section 2 hereof and numbered T-1 or (ii) as multiple fully registered Contracts, being one Contract for each Payment Date in the applicable Installment Amount and denomination and to be numbered consecutively from T-1 upward (hereinafter called the "Initial Contract(s)" and, in either case, the Initial Contract(s) shall be registered in

the name of the Initial Contracting Party or the designee thereof. The Initial Contract(s) shall be the Contracts submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Initial Contracting Party. Any time after the delivery of the Initial Contract(s), the Paying Agent/Registrar, pursuant to written instructions from the Initial Contracting Party, shall cancel the Initial Contract(s) and exchange therefor Contracts of authorized amounts and in Installment Amounts with Payment Dates and bearing applicable interest rates for transfer and delivery to the Contracting Parties named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial Contracting Party and such other information and documentation as the Paying Agent/Registrar may reasonably require.

#### SECTION 9: Forms.

(a) Forms Generally. The Contracts, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on the Contracts, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification and such legends and endorsements (including insurance legends in the event the Contracts, or any installment amounts thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be determined by the officers executing and delivering such Contracts as evidenced by their execution.

The Contracts, including the Initial Contract, shall be printed, lithographed, or engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Contracts as evidenced by their execution.

(b) General Contract Form.

REGISTERED  
NO. \_\_\_\_\_

REGISTERED:  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF FARMERSVILLE, TEXAS,  
PUBLIC PROPERTY FINANCE CONTRACTUAL OBLIGATION  
SERIES 2012

Contract Date:	Interest Rate:	Payment Date:	CUSIP No.:
July 15, 2012	____%	February 15, 20____	_____

Contracting Party:

Installment Amount:

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, hereby agrees and promises to pay to the Contracting Party named above, or the registered assigns thereof, the Installment Amount hereinabove stated on the Payment Date specified above, without right of prepayment, and to pay interest on such unpaid Installment Amount from the interest payment date next preceding the "Registration Date" of this Contract appearing below (unless this Contract bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Contract is prior to the initial interest payment date in which case it shall bear interest from the Contract Date) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2013. The Installment Amount is payable on the Payment Date noted above to the Contracting Party only upon presentation and surrender of this Contract to the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the Contracting Party of this obligation (or one or more Predecessor Contracts, as defined in the Ordinance hereinafter referenced) who appears on the "Contract Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of such Contracting Party recorded in the Contract Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Contracting Party. If the date for the payment of an Installment Amount or interest thereon shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. The Installment Amount of this Contract and interest thereon shall be paid without exchange or collection charges to the Contracting Party and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Contract is one of a number of contracts aggregating in amount \$265,000 (herein referred to as the "Contracts"), executed and delivered to finance the acquisition, use or purchase of personal property, under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Public Property Finance Act (V.T.C.A., Local Government Code, Subchapter A of Chapter 271, as amended) and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

This Contract is an obligation of the City payable from the pledged proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Contracting Party by the acceptance hereof hereby agrees, for definitions of terms; the description of and the nature and extent of the taxes pledged for the payment of the Contracts; the terms and conditions relating to the assignment and transfer of this Contract; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Contracting Parties; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Contract may be discharged at or prior to its Payment Date, and the obligation evidenced by the Contracts cease to exist as an obligation of the City; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Contract, subject to certain limitations contained in the Ordinance, may be assigned and transferred on the Contract Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered party hereof, or his duly authorized agent. When a transfer on the Contract Register occurs, one or more new fully registered Contracts with the same Payment Date, in authorized amounts, bearing the same rate of interest, and of the same Installment Amount will be delivered by the Paying Agent/Registrar to the designated assignee or assignees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered party whose name appears on the Contract Register (i) on the Record Date as the Contracting Party entitled to payment of interest hereon, (ii) on the date of surrender of this Contract as the Contracting Party entitled to payment of the Installment Amounts on the Payment Date and (iii) on any other date as the Contracting Party to notify for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Contracting Party appearing on the Contract Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the execution and delivery of the Contracts is duly authorized by law; that all acts, conditions and things required to

exist and be done precedent to and in the execution and delivery of the Contracts to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; and that due provision has been made for the payment of the Contracts and interest thereon as aforestated. In case any provision in this Contract shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Contract and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Contract to be duly executed under the official seal of the City as of the Contract Date.

CITY OF FARMERSVILLE, TEXAS

---

Joseph E. Helmberger, P.E., Mayor

ATTEST:

---

Edie Sims, City Secretary

(City Seal)



(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Contract(s) only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER )  
 ) REGISTER NO. \_\_\_\_\_  
OF PUBLIC ACCOUNTS )  
 )

I HEREBY CERTIFY that this Contract has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on definitive Contracts.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Contract has been duly delivered and registered under the provisions of the within-mentioned Ordinance; the contract or contracts initially executed and delivered by the City having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar in East Syracuse, New York is the "Designated Payment/Transfer Office" for this Contract.

Texas,

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., Dallas,

as Paying Agent/Registrar

Registration date:

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:) \_\_\_\_\_

(Social Security or other identifying number: \_\_\_\_\_  
\_\_\_\_\_) the within Contract and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Contract on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature guaranteed:  
\_\_\_\_\_

NOTICE: The signature on this assignment must correspond with the name of the contracting party as it appears on the face of the within Contract in every particular.

(f) The Initial Contract shall be in the form set forth in paragraph (b) of this Section, except that the form of the single fully registered Initial Contract shall be modified as follows:

REGISTERED  
NO. T-1

REGISTERED:  
\$265,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF FARMERSVILLE, TEXAS,  
PUBLIC PROPERTY FINANCE CONTRACTUAL OBLIGATION  
SERIES 2012

Contract Date:  
July 15, 2012

Contracting Party:

Contract Amount: TWO HUNDRED SIXTY-FIVE THOUSAND DOLLARS

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, hereby agrees and promises to pay to the order of the Contracting Party named above, or the registered assigns thereof, the Contract Amount hereinabove stated on the Payment Dates and in Installment Amounts in accordance with the following schedule:

<u>Payment Date</u>	<u>Installment Amount</u>	<u>Interest Rate(s)</u>
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(Information to be inserted from schedule in Section 2 hereof).

(without right of prepayment) and to pay interest on such unpaid annual Installment Amounts from the Contract Date at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2013. The Installment Amounts are payable on the Payment Dates noted above to the Contracting Party named above or the assigns thereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"), upon the presentation and surrender, at its designated office in East Syracuse, New York (the "Designated Payment/Transfer Office"). Interest is payable to the Contracting Party whose name appears on the "Contract Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Contracting Party recorded in the Contract Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Contracting Party. If the date for the payment of an Installment Amount or interest thereon shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. The Installment Amounts of this Contract and interest thereon shall be paid without exchange or collection charges to the Contracting Party and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Levy of Taxes. To provide for the payment of the Installment Amounts to become due and payable and the payment of the interest thereon, there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay (i) the Installment Amounts to become due and payable or an amount equal to 2% of the Aggregate Contract Amount (whichever is the greater) and (ii) the accrued interest on the Installment Amounts to become due and payable; full allowance being made for delinquencies and costs of collection. Full, complete and accurate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Contracts shall be kept and maintained by the City at all times while the Contracts are Outstanding, and the taxes collected annually for the payment of the Contracts shall be deposited to the credit of a "Special 2012 Contracts Fund" (the "Sinking Fund") maintained on the records of the

City and at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Contracts.

The Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Sinking Fund, amounts sufficient to fully pay and discharge promptly each Installment Amount and interest on the Contracts as the same accrues or becomes due and payable; such transfer of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each Payment Date and each interest payment date for the Contracts.

SECTION 11: Mutilated - Destroyed - Lost and Stolen Contracts. In case a Contract shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Contract of like form and tenor, and in the same authorized amount and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Contract, or in lieu of and in substitution for such destroyed, lost or stolen Contract, only upon the approval of the City and after (i) the filing by the Contracting Party with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Contract, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Contract shall be borne by the Contracting Party of the Contract mutilated, or destroyed, lost or stolen.

Every replacement Contract issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Contracts; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Contracts.

SECTION 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Contracting Parties, the Installment Amounts, together with the accrued interest thereon, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Contracting Parties shall thereupon cease, terminate, and be discharged and satisfied.

The Contracts shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full the Installment Amounts as the same shall become due and payable on the Payment Dates, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest

in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the Installment Amounts and accrued interest on and prior to each Payment Date. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Contracts to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/ Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is in excess of the amounts required for the payment of the Contracts in accordance with the defeasance provisions shall be remitted to the City or deposited as directed by the City. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The term "Government Securities" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Contracts under the then applicable laws of the State of Texas.

**SECTION 13: Ordinance a Contract -Amendments - Outstanding Contracts.**

This Ordinance shall constitute an agreement with the Contracting Parties from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any of the Contracts remain Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Contracting Parties, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Contracting Parties, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Contracting Parties to Contracts which are Outstanding and represent a majority of the aggregate Installment Amounts affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of Contracting Parties of all Contracts which are Outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the Installment Amounts and interest on the Contracts, reduce the Installment Amounts, change the rate of interest thereon, or in any other way modify the terms of payment of the Contracts, (2) give any preference to any Contract

over any other Contract, or (3) reduce the aggregate Installment Amount of Contracts required to be held for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Contracts means, as of the date of determination, all Contracts theretofore delivered and registered under this Ordinance, except:

(1) those Contracts cancelled or delivered to the Paying Agent/Registrar for cancellation;

(2) those Contracts for which the Installment Amounts and all interest payable thereon has been paid or is deemed to be fully paid in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Contracts for which replacement obligations have been registered and delivered in lieu thereof as provided in Section 11 hereof.

#### SECTION 14: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section 14, the following terms have the following meanings:

*"Closing Date"* means the date on which the Contracts are first authenticated and delivered to the initial purchasers against payment therefor.

*"Code"* means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

*"Computation Date"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Gross Proceeds"* means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Contracts.

*"Investment"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Nonpurpose Investment"* means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Contracts are invested and which is not acquired to carry out the governmental purposes of the Contracts.

*"Rebate Amount"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Regulations"* means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Contracts. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

*"Yield"* of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Contracts has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Contract to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Contract, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Contracts:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Contracts, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Contracts or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Contracts to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Contracts directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Contracts.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Contracts to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) No Rebate Required. The City warrants and represents that it satisfies the requirements of paragraph (2) and (3) of section 148(f) of the Code with respect to the Contracts without making the payments for the United States described in such section. Specifically, the City warrants and represents that

- (1) the City is a governmental unit with general taxing powers;
- (2) at least 95% of the net proceeds of the Contracts will be used for the local governmental activities of the City; and
- (3) the aggregate face amount of all tax-exempt obligations issued or expected to be issued by the City (and all subordinate entities thereof) in the calendar year in which the Contracts are issued is not reasonably expected to exceed \$5,000,000.

Provided, however, should additional tax-exempt obligations be issued or incurred, including lease purchase financings, in the 2012 calendar year which would



cause the total face amount of tax-exempt obligations issued and incurred in such calendar year to exceed \$5,000,000, the City agrees and covenants that it will maintain complete records regarding the investments of the proceeds of sale of the Contracts and rebate any "arbitrage profits" to the United States as required by Section 148(f) of the Code.

(i) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary, either individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Contracts, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(j) Qualified Tax Exempt Obligations. In accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code, the City hereby designates the Contracts to be "qualified tax exempt obligations" in that the Contracts are not "private activity bonds" as defined in the Code and the reasonably anticipated amount of "qualified tax exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year 2012 will not exceed \$10,000,000.

SECTION 15: Sale of Contracts. Pursuant to a public sale for the Contracts, the bid submitted by \_\_\_\_\_ (herein referred to as the "Purchasers") is declared to be the best bid received producing the lowest true interest cost rate to the City; such bid is hereby accepted and incorporated herein by reference as a part of this Ordinance for all purposes and the sale of the Contracts to said Purchasers at the price of par and accrued interest to the date of delivery, plus a premium of \$ \_\_\_\_\_ is hereby approved and confirmed. Delivery of the Contracts to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale, which terms of sale are declared to be in the best interests of the City.

SECTION 16: Official Statement. The use of the Preliminary Official Statement in connection with the public offering and sale of the Contracts is hereby ratified, confirmed and approved in all respects, and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated July 24, 2012, in the reoffering, sale and delivery of the Contracts to the public.

SECTION 17: Cancellation. All Contracts surrendered for payment, prepayment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall

be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Contracts previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Contracts so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Contracts held by the Paying Agent/Registrar shall be returned to the City.

SECTION 18:       Notices of Contracting Parties. Wherever Ordinance provides for notice to Contracting Parties of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Contracting Party appearing in the Contract Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Contracting Parties is given by mail, neither the failure to mail such notice to any particular Contracting Party, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Contracts. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Contracting Party entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by a Contracting Party shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 19:       Proceeds of Sale. The proceeds of sale of the Contracts, excluding the accrued interest received from the Purchasers and amounts to pay costs of issuance, shall be deposited in an acquisition fund maintained at a City depository. Pending expenditure for the Property, such proceeds of sale may be invested in authorized investments in accordance with the provisions of V.T.C.A., Government Code, Chapter 2256, as amended, and the City's investment policies and guidelines, and any investment earnings realized shall be expended for the Property or deposited in the Sinking Fund as shall be determined by the City Council. Accrued interest received from the Purchasers as well as any surplus proceeds of sale of the Contracts, including investment earnings, remaining after acquisition of the Property shall be deposited to the credit of the Sinking Fund.

SECTION 20:       Legal Opinion. The Initial Contracting Party's obligation to accept delivery of the Contracts is subject to being furnished a final opinion of Fulbright & Jaworski L.L.P., Attorneys, Dallas, Texas, approving the Contracts as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Contracts. A true and correct reproduction of said opinion or an executed counterpart thereof shall accompany the global Contracts deposited with DTC or a reproduction thereof shall be printed on the definitive Contracts in the event the book-entry-only system shall be discontinued.

SECTION 21: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Contracts. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Contracts shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Contracts as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Contracts.

SECTION 22: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Contracting Parties, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Contracting Parties.

SECTION 23: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance, including Ordinance No. O-2012-0710-002, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 24: Governing Law. This Ordinance and the Contracts authorized to be executed and delivered hereunder shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 25: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 26: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 27: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 28: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 29: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents,

whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the execution and delivery of the Contracts. In addition, prior to the initial delivery of the Contracts, the Mayor, Mayor Pro Tem, City Manager, Director Finance, City Secretary, or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Contracts by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 30: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by V.T.C.A., Local Government Code, Chapter 551, as amended.

SECTION 31: Effective Date. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

PASSED AND ADOPTED, this July 24, 2012.

CITY OF FARMERSVILLE, TEXAS

\_\_\_\_\_  
Joseph E. Helmberger, P.E., Mayor

ATTEST:

\_\_\_\_\_  
Edie Sims, City Secretary

(City Seal)

EXHIBIT A  
DESCRIPTION OF PROPERTY

Description of Property	Estimated Cost
Fire Truck	\$_____

EXHIBIT B

PAYING AGENT/REGISTRAR AGREEMENT



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Only Reading – Consider all matters incident and related to the issuance and sale of "City of Farmersville, Texas, General Obligation Bonds, Series 2012", including the receipt of bids therefore and the adoption of an ordinance authorizing the issuance of such bonds to perform public streets, sewer and water projects

A presentation will be made by FirstSouthwest and will include a book with complete details of the sale of the bonds, including the ordinance completed.

**ACTION: Approve or disapprove the only reading for the Ordinance regarding the street, water and wastewater bond projects**

(III - D)

**CITY OF FARMERSVILLE  
ORDINANCE # O-2012-0724-003**

**AN ORDINANCE** authorizing the issuance of “CITY OF FARMERSVILLE, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2012”; specifying the terms and features of said bonds; levying a continuing direct annual ad valorem tax for the payment of said bonds; and resolving other matters incident and related to the issuance, sale, payment and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement and the approval and distribution of an Official Statement pertaining thereto; and providing an effective date.

**WHEREAS**, the City Council of the City hereby finds and determines that \$1,500,000 in principal amount of general obligation bonds approved and authorized to be issued at an election held May 12, 2012 should be issued and sold at this time; a summary of the general obligation bonds authorized at said election, the principal amounts authorized, amounts being issued pursuant to this ordinance and amounts remaining to be issued subsequent hereto being as follows:

<u>Purpose</u>	<u>Amount Authorized</u>	<u>Amount Being Issued</u>	<u>Unissued Balance</u>
Street Improvements	\$3,575,000	\$ 345,000	\$3,230,000
Water and Sewer Improvements	\$2,400,000	\$1,155,000	\$1,245,000

**AND WHEREAS**, the Council hereby reserves and retains the right to issue the balance of unissued bonds approved at said election in one or more installments when, in the judgment of the Council, funds are needed to accomplish the purposes such bonds are voted to finance; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS:**

SECTION 1: Authorization - Designation - Principal Amount - Purpose. General obligation bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$1,500,000, to be designated and bear the title “CITY OF FARMERSVILLE, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2012” (hereinafter referred to as the “Bonds”), for the following purposes, to wit: \$345,000 for street improvements, including drainage, curbs, gutters, bridges, utility line relocations, traffic signalization, signage and the acquisition of equipment, machinery, land and rights-of-way therefor and \$1,155,000 for constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving water and sewer system properties and facilities, including land and rights-of-way therefor, all in accordance with authority



conferred by and in conformity with the Constitution and laws of the State of Texas, including V.T.C.A., Government Code, Chapter 1331, as amended.

SECTION 2: Fully Registered Obligations - Bond Date - Authorized Denominations - Stated Maturities - Interest Rates. The Bonds shall be issued as fully registered obligations only, shall be dated July 15, 2012 (the "Bond Date"), shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on February 15 in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the following schedule:

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
2013	\$ 55,000	
2014	55,000	
2015	55,000	
2016	60,000	
2017	60,000	
2018	60,000	
2019	65,000	
2020	65,000	
2021	70,000	
2022	70,000	
2023	75,000	
2024	75,000	
2025	80,000	
2026	85,000	
2027	85,000	
2028	90,000	
2029	95,000	
2030	95,000	
2031	100,000	
2032	105,000	

The Bonds shall bear interest on the unpaid principal amounts from the Bond Date at the rate(s) per annum shown above (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 15 and August 15 in each year, commencing February 15, 2013, until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books

maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and City Secretary of the City are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or upon the earlier redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices, initially in East Syracuse, New York, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special

Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

#### SECTION 4: Redemption.

(a) Optional Redemption. The Bonds having Stated Maturities on and after February 15, 2023, shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2022, or on any date thereafter, at the redemption price of par plus accrued interest to the date of redemption.

At least forty-five (45) days prior to a redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the City to exercise its right to redeem Bonds shall be entered in the minutes of the governing body of the City.

(b) Mandatory Redemption. The Bonds having Stated Maturities of February 15, 20\_\_\_\_ and February 15, 20\_\_\_\_ (the "Term Bonds") shall be subject to mandatory redemption prior to maturity at the price of par plus accrued interest to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Bonds Due February 15, 20		Term Bonds Due February 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20	\$ ,000	February 15, 20	\$ ,000
February 15, 20	\$ ,000 (maturity)	February 15, 20	\$ ,000 (maturity)

Approximately forty-five (45) days prior to each mandatory redemption date for the Term Bonds, the Paying Agent/Registrar shall select by lot the numbers of the Term Bonds to be redeemed on the next following February 15 from moneys set aside for that purpose in the Interest and Sinking Fund (as hereinafter defined). Any Term Bond not selected for prior redemption shall be paid on the date of their Stated Maturity.

The principal amount of the Term Bonds of a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like stated maturity which, at least 50 days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in paragraph(a) of this Section and not theretofore credited against a mandatory redemption requirement.

(c) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding, which is obtained by dividing the principal amount of such Bonds by \$5,000, and shall select the Bonds to be redeemed within such Stated Maturity by lot.

(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record and maintain in the Security Register the

name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Ordinance or, if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) referenced in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be in authorized denominations, of like Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds", evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 11 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained herein relating to the payment of and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the Blanket Letter of Representations, by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC, who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in V.T.C.A., Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of

registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

**SECTION 8: Initial Bond(s).** The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount stated in Section 1 hereof in principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

**SECTION 9: Forms.**

(a) **Forms Generally.** The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance, and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bond.

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF FARMERSVILLE, TEXAS  
GENERAL OBLIGATION BOND  
SERIES 2012

Bond Date:  
July 15, 2012

Interest Rate:  
\_\_\_\_\_

Stated Maturity:  
February 15, 20\_\_\_\_

CUSIP NO:  
\_\_\_\_\_

Registered Owner:

Principal Amount:

DOLLARS

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above (the "Registered Owner"), or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the Bond Date) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2013. Principal of this Bond is payable at its Stated Maturity or upon its prior redemption to the Registered Owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the Registered Owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Registered Owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day when banking institutions in the city where the Designated Payment/Transfer Office



of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$1,500,000 (herein referred to as the "Bonds") for the following purposes, to wit: \$345,000 for street improvements, including drainage, curbs, gutters, bridges, utility line relocations, traffic signalization, signage and the acquisition of equipment, machinery, land and rights-of-way therefor and \$1,155,000 for constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving water and sewer system properties and facilities, including land and rights-of-way therefor, all in accordance with authority conferred by and in conformity with the Constitution and laws of the State of Texas, including V.T.C.A., Government Code, Chapter 1331, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds Due February 15, 20		Term Bonds Due February 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20	\$ ,000	February 15, 20	\$ ,000
February 15, 20	\$ ,000 (maturity)	February 15, 20	\$ ,000 (maturity)

The particular Term Bonds to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like maturity which, at least 50 days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Bonds maturing on and after February 15, 2023, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the

Paying Agent/Registrar), on February 15, 2022, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the Registered Owners of each Bond to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If this Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date this Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest hereon shall cease to accrue from and after the redemption date herefor, provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of this Bond is to be redeemed and the Registered Owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the Registered Owner only upon presentation and surrender of this Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the Registered Owner, without charge. If this Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Registered Owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Registered Owner of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Registered Owner of this Bond by the acceptance hereof hereby assents, for definitions of terms;

the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Registered Owners; the rights, duties and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Registered Owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the Registered Owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or upon its prior redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the

payment of the principal of and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City as of the Bond Date.

CITY OF FARMERSVILLE, TEXAS

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Joseph E. Helmberger, P.E., Mayor

COUNTERSIGNED:

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Edie Sims, City Secretary

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

# REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS

§  
§  
§  
§

REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this \_\_\_\_\_.

Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

## REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar in East Syracuse, New York is the "Designated Payment/Transfer Office" for this Bond.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., Dallas, Texas,  
as Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signature

Registration Date:

---

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto (Print or typewrite name, address and zip code of transferee): \_\_\_\_\_

\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

Signature guaranteed:

\_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1

\$1,500,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF FARMERSVILLE, TEXAS  
GENERAL OBLIGATION BOND  
SERIES 2012

Bond Date:

July 15, 2012

Registered Owner:

Principal Amount: ONE MILLION FIVE HUNDRED THOUSAND DOLLARS

The City of Farmersville (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above (the "Registered Owner"), or the registered assigns thereof, the Principal Amount hereinabove stated on February 15 in the years and in principal installments in accordance with the following schedule:

YEAR OF  
MATURITY

PRINCIPAL  
INSTALLMENTS

INTEREST  
RATE

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the Bond Date at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year until maturity or prior redemption, commencing February 15, 2013. Principal installments of this Bond are payable at the year of maturity or on a redemption date to the Registered Owner hereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in East Syracuse, New York (the "Designated Payment/Transfer Office"). Interest is payable to the Registered Owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Registered Owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater), there is hereby levied, and there shall be annually assessed and collected in due time, form and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; separate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Bonds shall be kept and maintained by the City at all times while the Bonds are

Outstanding, and the taxes collected for the payment of the Debt Service Requirements on the Bonds shall be deposited to the credit of a "Special 2012 Bond Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

The Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary of the City, individually or collectively, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of principal of and interest on the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11: Mutilated, Destroyed, Lost and Stolen Bonds. In case any Bond shall be mutilated, destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 12: Satisfaction of Obligations of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements and other obligations of the City to the Holders shall thereupon cease, terminate and be discharged and satisfied.



Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited, shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the City, be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The term "Government Securities", as used herein, means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations under applicable law that may be used to defease obligations such as the Bonds.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and Section 22 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition or rescission.

The term "Outstanding", when used in this Ordinance with respect to Bonds, means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

- (1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and
- (3) those mutilated, destroyed, lost or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in section 1.148-1(b) of the Regulations.

*"Gross Proceeds"* means any proceeds as defined in section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in section 1.148-1(c) of the Regulations, of the Bonds.

*"Investment"* has the meaning set forth in section 1.148-1(b) of the Regulations.

*"Nonpurpose Investment"* means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

*"Rebate Amount"* has the meaning set forth in section 1.148-1(b) of the Regulations.

*"Regulations"* means any proposed, temporary or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

*"Yield"* of (1) any Investment has the meaning set forth in section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to

the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) No Rebate Required. The City warrants and represents that it satisfies the requirements of paragraph (2) and (3) of section 148(f) of the Code with respect to the Bonds without making the payments for the United States described in such section. Specifically, the City warrants and represents that

(1) the City is a governmental unit with general taxing powers;

(2) at least 95% of the net proceeds of the Bonds will be used for the local governmental activities of the City; and

(3) the aggregate face amount of all tax-exempt obligations issued or expected to be issued by the City (and all subordinate entities thereof) in the calendar year in which the Bonds are issued is not reasonably expected to exceed \$5,000,000.

Provided, however, should additional tax-exempt obligations be issued or incurred, including lease purchase financings, in the 2012 calendar year which would cause the total face amount of tax-exempt obligations issued and incurred in such calendar year to exceed \$5,000,000, the City agrees and covenants that it will maintain complete records regarding the investments of the proceeds of sale of the Bonds and rebate any "arbitrage profits" to the United States as required by Section 148(f) of the Code.

(i) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(j) Qualified Tax Exempt Obligations. In accordance with the provisions of paragraph (3) of subsection (b) of Section 265 of the Code, the City hereby designates the Bonds to be "qualified tax exempt obligations" in that the Bonds are not "private activity bonds" as defined in the Code and the reasonably anticipated amount of "qualified tax exempt obligations" to be issued by the City (including all subordinate entities of the City) for the calendar year 2012 will not exceed \$10,000,000.

SECTION 15: Sale of Bonds. Pursuant to a public sale for the Bonds, the bid submitted by \_\_\_\_\_ (herein referred to as the "Purchasers") is declared to be the best bid received producing the lowest true interest cost rate to the City; such bid is hereby accepted and incorporated herein by reference as a part of this Ordinance for all purposes and the sale of the Bonds to said Purchasers at the price of par and accrued interest to the date of delivery, plus a premium of \$\_\_\_\_\_ is hereby approved and confirmed. Delivery of the Bonds to the Purchasers shall occur as soon as possible upon payment being made therefor in

accordance with the terms of sale, which terms of sale are declared to be in the best interests of the City.

SECTION 16: Official Statement. The use of the Preliminary Official Statement in connection with the public offering and sale of the Bonds is hereby ratified, confirmed and approved in all respects, and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated July 24, 2012, in the reoffering, sale and delivery of the Bonds to the public.

SECTION 17: Control and Custody of Bonds. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 18: Proceeds of Sale. The proceeds of sale of the Bonds, excluding the accrued interest received from the Purchasers and amounts to pay costs of issuance, shall be deposited in a construction fund maintained at a City depository. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of V.T.C.A., Government Code, Chapter 2256, as amended, and the City's investment policies and guidelines, and any investment earnings realized shall be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the City Council. Accrued interest received from the Purchasers as well as any surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Sinking Fund.

SECTION 19: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder

entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 20: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 21: Legal Opinion. The Purchasers' obligation to accept delivery of the Bonds is subject to being furnished a final opinion of Fulbright & Jaworski L.L.P., Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion or an executed counterpart thereof shall accompany the global Bonds deposited with DTC or a reproduction thereof shall be printed on the definitive Bonds in the event the book-entry-only system shall be discontinued.

SECTION 22: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in or after 2012, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 16 of this Ordinance, to the extent such information is customarily prepared by the City and is publicly and being the information described in **Exhibit B** hereto, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in **Exhibit B**, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the City will provide unaudited

financial information of the type included in the Official Statement by the required time and audited financial statements when and if such audited financial statements become available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.



For these purposes, any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section with respect to the City and the Bonds while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person".

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the City or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON

ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 23: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 24: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 25: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance, including Ordinance No. O-2012-0710-003, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 26: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 27: Effect of Headings. The Section headings herein are for convenience of referenced only and shall not affect the construction hereof.

SECTION 28: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 29: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 30: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 31: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Director of Finance, City Secretary, or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 32: Public Meeting. It is officially found, determined and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by V.T.C.A., Government Code, Chapter 551, as amended.

SECTION 33: Effective Date. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

PASSED AND ADOPTED, this July 24, 2012.

CITY OF FARMERSVILLE, TEXAS

\_\_\_\_\_  
Joseph E. Helmberger, P.E., Mayor

ATTEST:

\_\_\_\_\_  
Edie Sims, City Secretary

(City Seal)

## **EXHIBIT A**

### **PAYING AGENT/REGISTRAR AGREEMENT**

## **EXHIBIT B**

### **DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Section 22 of this Ordinance.

#### **Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the City to be provided annually in accordance with such Section which is customarily prepared by the City and is publicly available (currently, information that is customarily prepared by the City and is publicly available consists of the City's audit).

#### **Accounting Principles**

The accounting principles referred to in such Section are generally those described in Appendix B to the Official Statement, as such principles may be changed from time to time to comply with state law or regulation.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon a resolution to apply for 2013-2014 Rural Community Development Block Grant assistance under the Community Development Fund

Resolution is attached for review

**ACTION: Approve or disapprove the Resolution to apply for the CDBG grant**

(IV - A)

**CITY OF FARMERSVILLE  
RESOLUTION # R-2012-0724-001**

A RESOLUTION OF THE CITY OF FARMERSVILLE, TEXAS, AUTHORIZING THE SUBMISSION OF A COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE COMMUNITY DEVELOPMENT FUND; AND AUTHORIZING THE CITY MANAGER TO ACT AS THE EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, Farmersville, Texas desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low/moderate income; and

WHEREAS, certain conditions exist within the community which represent a potential risk to the public health and safety;

WHEREAS, it is necessary and in the best interests of Farmersville, Texas to apply for funding under the 2013-2014 Rural Community Development Block Grant Program.

NOW, THEREFORE, BE IT RESOLVED:

- Section 1. That a Texas Community Development Block Grant application is hereby authorized to be filed with the Texas Department of Agriculture for funding consideration under the Community Development Fund;
- Section 2. That the application be for up to \$275,000 of grant funds to carry out water/sewer system upgrades in Farmersville, Texas;
- Section 3. That minimum matching funds in the amount of \$41,250 in cash are committed by Farmersville, Texas, from the utility fund toward the application activities; and
- Section 4. That the City Manager is designated as the Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and participation in the Community Development Block Grant Program

PASSED AND APPROVED ON THIS THE 24<sup>TH</sup> DAY OF JULY, 2012.

ATTEST:

---

Joseph E. Helmberger, P.E., Mayor

---

Edie Sims, City Secretary



Texas Community Development Block Grant (CDBG) Program

2013-2014 Texas CDBG Application Cycle

Citizen Participation Information for Public Hearing

City of Farmersville, Texas

July 24, 2012

GrantWorks would like to start off by saying we value the relationship we have built over the years.

The following information will be covered during the public hearing.

Eligible Uses of CDBG Funds: Water, sewer, drainage, other infrastructure facilities; disaster relief; planning activities; economic development and job creation; housing rehabilitation or reconstruction; related engineering, acquisition, and administration activities. Most CDBG-assisted activities must primarily benefit households earning at or below 80% of the area median family income ("low and moderate income") or aid in the prevention of slum and blight.

Amount available in North Central Texas Council of Governments Area for CDBG cycle is \$275,000. The City's match level is 15% or \$41,250 for the City of Farmersville.

Due date for application to the CD Fund is Oct. 26, 2012.

Past use of funds CD Funds

2006 CD Sewer line replacement \$275,000

2008 Water line Replacement \$275,000



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon bids for the construction of the Chaparral Trail and authorizing the City Manager to negotiate a contract with bidder

Bid information and recommendation from the City Engineer is attached.

**ACTION: Award bid or reject bid regarding the Chaparral Trail**

(IV - B)



**DANIEL & BROWN INC.**  
**ENGINEERS/CONSULTANTS/PLANNERS**

July 20, 2012

Mr. Benjamin White, P.E., City Manager  
City of Farmersville  
205 South Main Street  
Farmersville, Texas 75442

RE: Chaparral Trail Project – Re-Bid  
Texas Parks & Wildlife Recreation Grant  
Bid Tabulation & Recommendation

Dear Ben:

I have attached a bid tabulation form for the Texas Parks & Wildlife Grant Project to improve the Chaparral Trail for the City of Farmersville which was re-bid on Friday, July 20, 2012 at 2:00 p.m. There was one bidder on the project. Cole Construction, Inc., Keller, TX was the low bidder with a total bid amount of \$221,240.00 for the project. Cole Construction, Inc. was also the low bidder from the previous bid. The decomposed granite material for this project has been previously bid and awarded by the City. It will require approximately \$21,000.00 of decomposed granite material to install the trail in accordance with this re-bid provided. Accordingly, the total construction and materials required will be approximately \$242,240.00.

I have indicated below the available construction and material funds for this project:

TP&W Grant Funds	\$200,000.00
Local match (CDC 4B)	<u>\$50,000.00</u>
Total Available Funds	\$250,000.00
Less Engr. & Inspection	\$20,000.00
Less Architect, Surveying, etc.	<u>\$8,571.17</u>
<b>Total Funds Available for</b>	
<b>Materials &amp; Construction</b>	<b>\$221,428.83</b>

Based on the bid prices as indicated above, the total material and construction costs will exceed the available funds by \$20,811.17. The project scope could be reduced on a unit price basis to ensure that the project does not exceed available funding. Alternatively, it would also be possible to supplement the funding to complete the project scope as-bid.

It is the recommendation of Daniel & Brown Inc. that the City of Farmersville award the re-bid for the Chaparral Trail Project to Cole Construction, Inc. Our firm believes Cole Construction, Inc. has the experience to successfully complete the project. The project scope can be modified by change order to complete the project within available funding.

If you should have any questions or need additional information, please feel free to contact me.

Sincerely,

Eddy W. Daniel, P.E.



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon a resolution designating the authorized representatives for TexPool relative to the Farmersville Economic Development Corporation (4A)

Resolution for TexPool is attached for review

**ACTION: Approve or disapprove the Resolution designating Robbie Tedford as the 4A EDC representative**

(IV - C)



## RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, Farmersville Economic Development Corporation (4A)

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. Name: Robbie Tedford Title: EDC Board President  
Phone/Fax/Email: 972-784-7361/robbie@tedfordchevrolet.com  
Signature: \_\_\_\_\_

2. Name: Daphne Hamlin Title: Finance Director  
Phone/Fax/Email: 972-782-6151/972-782-6604/d.hamlin@ci.farmersville.tx.us  
Signature: \_\_\_\_\_

ORIGINALS REQUIRED

TEX – REP

3. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone/Fax/Email: \_\_\_\_\_  
Signature: \_\_\_\_\_

4. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone/Fax/Email: \_\_\_\_\_  
Signature: \_\_\_\_\_

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name Daphne Hamlin

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

5. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone/Fax/Email: \_\_\_\_\_

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 24 day July, 20 12.

NAME OF PARTICIPANT: \_\_\_\_\_

BY: \_\_\_\_\_

Signature

Joseph E. Helmberger, P.E.

Printed Name

Mayor

Title

ATTEST: \_\_\_\_\_

Signature

Edythe Sims

Printed Name

City Secretary

Title

**This document supersedes all prior Authorized Representative designations.**

ORIGINALS REQUIRED

TEX – REP



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon a resolution authorizing the City Manager to execute a health insurance contract with Texas Municipal League Intergovernmental Employee Benefits Pool

Resolution is attached for review along with information regarding the Consumer Centered Pool Plans

**ACTION: Approve or disapprove Resolution authorizing City Manager to execute contract with TMLIEBP**

(IV – D)

**CITY OF FARMERSVILLE  
RESOLUTION # R-2012-0724-002**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A HEALTH INSURANCE CONTRACT WITH TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL AND PROVIDING AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS THAT:

SECTION 1. The City Manager is hereby authorized to execute a health insurance contract with Texas Municipal League Intergovernmental Employee Benefits Pool for the City of Farmersville allowing the City and its employees health care benefits using Consumer Centered Pool Plans.

SECTION 2. This Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the 24<sup>th</sup> day of July, 2012.

\_\_\_\_\_  
Joseph E. Helmberger, P.E., Mayor

ATTEST:

\_\_\_\_\_  
Edie Sims, City Secretary



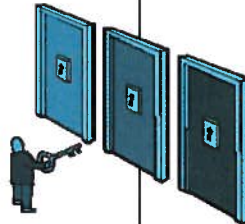
## OVERVIEW

Rising health care costs, employers' need to control these costs, and consumers' desire for more choice have all led employers to change how they offer health care benefits. Employers are shifting from providing a specific health insurance benefit package (i.e., a "defined benefit" approach), to providing a specific monetary contribution that workers can use to purchase the plan of their choice from among a group of different benefit options (i.e., a "defined contribution" approach). To facilitate this change, TML Intergovernmental Employee Benefits Pool (TML IEBP) has developed the Consumer Centered Pool Plans.

The 'Consumer Centered Pool Plans' are an alternative approach to providing health care to employees and their dependents. This approach realigns responsibility, or choice, from the employer to the employee. When given choices, employees generally make decisions that are to their own advantage and consistent with what they know about their health and financial conditions.

## HOW DO THE CONSUMER CENTERED POOL PLANS WORK?

TML IEBP offers a menu of eight different health care plan options that are available to any size group. The employer budgets a fixed dollar ("defined contribution") that each employee will receive to purchase health care benefits from the menu. Employees elect the plan that best meets the unique needs of their family.



- If an employee selects a plan that is more expensive than the amount pledged by his or her employer, an optional pretax payroll deduction would allow him or her to "buy-up" to a more expensive plan.
- Conversely, if an employee selects a plan that is less expensive than the amount pledged by his or her employer, he or she can "buy-down". The balance of remaining dollars can be used to offset the monthly cost of dependent coverage, or if not applied to coverage, deposited in a pre-tax account [i.e., Health Reimbursement Account (HRA), or a Health Savings Account (HSA) when in connection with a High Deductible Health Plan]. Money deposited in the pre-tax account is available through a MasterCard and can be spent on IRS regulated expenditures.

## OTHER BENEFITS

- Employers may add vision and/or dental plans to the menu of benefit options.
- TML IEBP has two voluntary dental plans and two voluntary vision plans (employers can select one dental and/or one vision plan to be placed on the menu).

## ENROLLMENT GUIDELINES

- Employees and their dependents must be enrolled on the same plan.
- Employees can change plans at open enrollment or per the qualifying event guidelines.

## UNDERWRITING GUIDELINES

- Not a group health plan. Utilization/experience will be pooled by plan participation statewide.
- 1<sup>st</sup> year rates are based on employee demographics, utilization and geographic area.
- 2<sup>nd</sup> year rates are based on employee demographics and geographic area (utilization is pooled).
- Utilization/experience will be tracked at the employer level (should the employer wish to go out to bid).
- Employers are not locked into the Consumer Centered Pool Plans. At renewal, employers may return to a traditional employer sponsored benefit plan if they choose

## HOW DO HIGH DEDUCTIBLE HEALTH PLANS DIFFER FROM TRADITIONAL PPO PLANS?

The Consumer Centered Pool Plans include six traditional PPO plans and two High Deductible Health Plans. High Deductible Health Plans (HDHP) are IRS designated plans with a number of features that make them very different from a traditional PPO:

- As enrollees receive non-preventive medical care, they must meet their plan deductible before the health plan pays benefits. Enrollees can choose to pay their deductible with funds from their HSA or they can choose instead to pay their deductible with personal funds, allowing their HSA to continue to grow.
- Preventive medical services are paid at 100% (subject to plan limitations/wellness calendar year maximums).
- Enrollees must pay all diagnosis related expenses (non-preventive) until the deductible is met. This includes preferred lab charges and prescription drug charges.
- Preventive prescription drugs can be purchased with a copay (or at no cost for certain generic drugs). However, non-preventive prescriptions are not eligible for a copay (or no cost) until the deductible is met. A list of preventive drugs is available.
- Both health care and prescription drug expenses accumulate to the deductible and out of pocket maximum.
- Once the deductible and out of pocket maximum are met, eligible, in-network services will be paid at 100%.
- With an HDHP plan, enrollees can put money in an HSA. Employees with an HDHP and HSA also have the option of putting money in a 'Limited Post Deductible' Flexible Spending Account (FSA).
- If an employee has an HRA and enrolls in an HDHP, the HRA will convert to a 'Limited Post Deductible' HRA.

## 2011-12 CONSUMER CENTERED POOL PLAN: MEDICAL PLAN OPTIONS

Plan	Benefit % In-Network/Out of Network	In-Network Deductible	In-Network Out of Pocket	Office Visit
<b>P85-20-25-MAC A</b> <i>HRA Eligible</i>	80/50	\$200	\$2,500	<b>\$30</b>
<b>P75-0-30-MAC A</b> <i>HRA Eligible</i>	90 Hospital 70/50	\$0	\$3,000	None
<b>P85-50-20-MAC A</b> <i>HRA Eligible</i>	80/50	\$500	\$2,000	None
<b>P85-50-30-MAC A</b> <i>HRA Eligible</i>	80/50	\$500	\$3,000	None
<b>P85-75-30-MAC A</b> <i>HRA Eligible</i>	80/50	\$750	\$3,000	None
<b>P85-100-30-MAC A</b> <i>HRA Eligible</i>	80/50	\$1,000	\$3,000	None
<b>P85-150-40-MAC A</b> High Deductible Health Plan <i>HSA Eligible</i>	80/50	\$1,500	\$4,000	None
<b>P85-250-30-MAC A</b> High Deductible Health Plan <i>HSA Eligible</i>	80/50	\$2,500	\$3,000	None



## PRE-TAX ACCOUNTS

As mentioned previously, an employee may select a plan that is less expensive than the amount pledged by their employer or “buy down”. The balance of remaining dollars can be used to offset the monthly cost of dependent coverage or if not applied to coverage, can be deposited in a pre-tax account.

- **Health Reimbursement Account (HRA)** - Employees that “buy-down” to a less expensive PPO plan (not one of the two IRS High Deductible Health Plans) are able to have the excess money deposited into a Health Reimbursement Account.
- **Health Savings Account (HSA)** - Employees that “buy-down” to one of the two IRS High Deductible Health Plans are able to have the excess money deposited into a Health Savings Account.

FAQ	HEALTH REIMBURSEMENT ACCOUNT (HRA)	HEALTH SAVINGS ACCOUNT (HSA)
Who Can Have One?	Any employee of an employer that offers an HRA and meets the employer's eligibility requirements, if any.	Any employee who 1) is covered by a qualifying high-deductible health plan with no other disqualifying coverage, 2) is not eligible for Medicare and 3) cannot be claimed as a tax dependent by any other taxpayer.
Where Does the Money Come From?	Employers only. At no time do employees fund HRAs.	Employer and Employee can fund HSAs.
What Are the Tax Benefits?	Employers can deduct HRA reimbursements from their taxes.	If the employee funds the HSA via a payroll deduction, then the accountholder can reduce taxable income. Any employer funds that are deposited in the HSA, can be deducted from employer's taxes.
What Can the Money Be Used For?	Expenses must be primarily for medical, dental, or vision care. Expenses that are primarily for cosmetic care or treatment will not qualify. Over-the-counter medications will qualify. The IRS Code (section 13) determines eligible expenses. A sample of eligible expenses is available in the HRA agreement.	Expenses must be primarily for medical, dental, or vision care. Expenses that are primarily for cosmetic care or treatment will not qualify. Over-the-counter medications will qualify. The IRS Code (section 13) determines eligible expenses. A sample of eligible expenses is available in the HSA agreement. If the employee uses withdrawn cash for non-medical purposes, the money so used becomes taxable income and is subject to an additional 20% penalty.
Are There Annual Limits?	There is no IRS limit on the amount of money available through an HRA; however, most employers establish such a limit.	Yes, and they will change from year to year. For 2011, the maximum contribution shall be \$3,050 for accountholders with single insurance coverage or the amount of the deductible of the coverage, whichever is lower. For those with family coverage, the maximum is \$6,150 or the deductible whichever is lower.
Who Actually Controls the Money?	The employer.	The employee. The money must be held by a bank. The employee may withdraw any and all monies in his or her HSA from the moment they are deposited from any source.
Can Participants Change Their Elections Mid-Year?	N/A	Yes, for any reason.
Can You Take the Money With You When You Leave Employment?	No. Although you may still have access to it in certain circumstances, such as if you elected COBRA or if you are submitting a claim for an expense incurred while employed. Employers may elect to offer a Retiree Reimbursement Account which allows retirees to access HRA-like money upon retirement.	Yes.
Can the Money Rollover from Year to Year?	Yes.	Yes.
Does COBRA Continuation Coverage Apply?	Yes.	No. HSAs are usually not considered to be health plans.





# Consumer Centered Pool Plans

Plan	Copay	Individual Deductible (2 x Family)	Individual Out of Pocket (2 x Family)	Illustrative Rates
P85-20-25 <i>HRA Eligible</i>	\$30.00	\$200.00	\$2,500.00	\$657.18
P75-0-30 <i>HRA Eligible</i>		\$0.00	\$3,000.00	\$628.50
 P85-50-20 <i>HRA Eligible</i>		\$500.00	\$2,000.00	\$539.32
P85-50-30 <i>HRA Eligible</i>		\$500.00	\$3,000.00	\$504.74
P85-75-30 <i>HRA Eligible</i>		\$750.00	\$3,000.00	\$469.84
P85-100-30 <i>HRA Eligible</i>		\$1,000.00	\$3,000.00	\$449.66
P85-150-40* <i>HSA Eligible</i>		\$1,500.00 (IRS: High Deductible Health Plan)	\$4,000.00 (IRS: High Deductible Health Plan)	\$430.98
P85-250-30* <i>HSA Eligible</i>		\$2,500.00 (IRS: High Deductible Health Plan)	\$3,000.00 (IRS: High Deductible Health Plan)	\$406.26



## Consumer Centered Pool Plans

- ▶ Employee & Dependents must enroll on same plan
- ▶ Employee can change plans at open enrollment or with qualifying event

- ☐ Should an employee select a plan that is more expensive than the amount pledged, an optional *pretax payroll deduction* would allow them to “**buy-up**” to a more expensive plan.
- ☐ Should an employee select a plan that is less expensive than the amount pledged, they can “**buy-down**”. *The balance of remaining dollars can be used to offset the monthly cost of dependent coverage or if not applied to coverage, can be deposited in a pre-tax account*

### PRE-TAX

- ✓ **Health Reimbursement Account (HRA)**- Employees that “buy-down” to a less expensive PPO plan (not one of the two IRS High Deductible Plans) are able to have the excess money deposited into a Health Reimbursement Account.
- ✓ **High Deductible Health Savings Account (HSA)** - Employees that “buy-down” to one of the two IRS High Deductible Plans are able to have the excess money deposited into a Health Savings Account.

★ ***The High Deductible Health Plans (HDHP) are IRS designed plans that have a number of features that make them very different from a traditional PPO:***

- ❖ As you receive non-preventive medical care, you must meet the plan deductible before the health plan pays benefits.
- ❖ Enrollees must pay all diagnosis related expenses (non-preventive) until the deductible is met. This include preferred lab charges and prescription drug charges.
- ❖ Preventive prescription drugs can be purchased with a copay (or at no cost for certain generic drugs). However, non-preventive prescriptions are not eligible for a copay (or no cost) until the deductible is met (*A list of preventive drugs is available*).
- ❖ Both healthcare and prescription drug expenses can accumulate to the deductible and out of pocket max.
- ❖ Once the deductible & out-of-pocket max is met, eligible, in-network services and eligible prescriptions will be paid at 100%.



*How does this work with Section 125 (FLEX) plan? It becomes a Limited Post Deductible Section 125 Plan*

- ❖ Flex money cannot be used until the HDHP deductible is satisfied. (**H.S.A. money in your H.S.A bank account can!**)
- ❖ Flex money can be used for dental or vision expenses.
- ❖ Should one sign up HDHP plan on 10/01/2011, and you still have money on your 2010-2011 Flex account, the current debit card will be de-activated on 09/30/2011.
- ❖ Paper receipts for the Flex 2.5 month extension period of 10/1/2011 – 12/15/2011 must be submitted to TML IEBP.





# TML Intergovernmental Employee Benefits Pool Rerate Notice and Benefit Verification Form

## Farmersville

Original

Plan Year 2012-2013 (12 Months)

Rates are subject to change if there is any legislation passed during the plan year affecting benefits.  
Supplemental benefits cannot be accessed without accessing the TML IEBP Medical Benefit Plan

### Medical

Select one of the following options for Medical

☐ Employer Group Medical Plan

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	XRay & Lab in OV	Rates	Current	New	Employee Subsidy	195% of Employee
P85-50-20-Mac A	80/50	\$500	\$750	\$2000	N/A	No	Employee	\$451.38	\$523.60	\$523.60	\$1,021.02
							Family	\$678.84	\$787.46	\$787.46	\$1,535.54

☐ Consumer Centered Pool Plans/Restat Card Program Mac A

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	XRay & Lab in OV	Rates	New	Emp Subsidy	195% of Employee
P85-20-25	80/50	\$200	\$450	\$2500	\$30	No	Employee	\$657.18	\$657.18	\$1,281.50
							Family	\$988.34	\$988.34	\$1,927.26
P75-0-30	70/50	\$0	\$250	\$3000	N/A	No	Employee	\$628.50	\$628.50	\$1,225.58
							Family	\$945.22	\$945.22	\$1,843.16
P85-50-20	80/50	\$500	\$750	\$2000	N/A	No	Employee	\$539.32	\$539.32	\$1,051.68
							Family	\$811.10	\$811.10	\$1,581.64
P85-50-30	80/50	\$500	\$750	\$3000	N/A	No	Employee	\$504.74	\$504.74	\$984.24
							Family	\$759.08	\$759.08	\$1,480.22
P85-75-30	80/50	\$750	\$1000	\$3000	N/A	No	Employee	\$469.84	\$469.84	\$916.18
							Family	\$706.60	\$706.60	\$1,377.86
P85-100-30	80/50	\$1000	\$1250	\$3000	N/A	No	Employee	\$449.66	\$449.66	\$876.82
							Family	\$676.24	\$676.24	\$1,318.66
P85-150-40	80/50	\$1500	\$1750	\$4000	N/A	No	Employee	\$430.98	\$430.98	\$840.40
							Family	\$648.14	\$648.14	\$1,263.88
P85-250-30	80/50	\$2500	\$2750	\$3000	N/A	No	Employee	\$406.26	\$406.26	\$792.20
							Family	\$610.98	\$610.98	\$1,191.40





TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act to create a new TexStar account for the 2012 GO Bond

Resolution to create a new TexStar account is attached for review

**ACTION: Approve or disapprove Resolution**

(IV - E)



## **AMENDING RESOLUTION**

WHEREAS, City of Farmersville

---

(the "Government Entity") by authority of the Application for Participation in TexSTAR (the "Application") has entered into an Interlocal Agreement (the "Agreement") and has become a participant in the public funds investment pool created there under known as TexSTAR Short Term Asset Reserve Fund ("TexSTAR");

WHEREAS, the Application designated on one or more "Authorized Representatives" within the meaning of the Agreement;

WHEREAS, the Government Entity now wishes to update and designate the following persons as the "Authorized Representatives" within the meaning of the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1. The following officers, officials or employees of the Government Entity specified in this document are hereby designated as "Authorized Representatives" within the meaning of the Agreement, with full power and authority to open accounts, to deposit and withdraw funds, to designate other authorized representatives, and to take all other action required or permitted by Government Entity under the Agreement created by the application, all in the name and on behalf of the Government Entity.

SECTION 2. This document supersedes and replaces the Government Entity's previous designation of officers, officials or employees of the Government Entity as Authorized Representatives under the Agreement

SECTION 3. This resolution will continue in full force and effect until amended or revoked by Government Entity and written notice of the amendment or revocation is delivered to the TexSTAR Board.

SECTION 4. Terms used in this resolution have the meanings given to them by the Application.

**Authorized Representatives.** Each of the following Participant officials is designated as Participant's Authorized Representative authorized to give notices and instructions to the Board in accordance with the Agreement, the Bylaws, the Investment Policy, and the Operating Procedures:

1. Name: Daphne Hamlin Title: Finance Director  
Signature: \_\_\_\_\_ Phone: 972-782-6151  
Email: d.hamlin@ci.farmersville.tx.us

2. Name: Edythe Sims Title: City Secretary  
Signature: \_\_\_\_\_ Phone: 972-782-6151  
Email: e.sims@ci.farmesville.tx.us

3. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

4. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

**{REQUIRED} PRIMARY CONTACT:** List the name of the Authorized Representative **listed above** that will be designated as the Primary Contact and will receive all TexSTAR correspondence including transaction confirmations and monthly statements

Name: Daphne Hamlin

**{OPTIONAL} INQUIRY ONLY CONTACT:** In addition, the following additional Participant representative (**not listed above**) is designated as an **Inquiry Only** Representative authorized to obtain account information:

Name: Benjamin White Title: City Manager  
Signature: \_\_\_\_\_ Phone: 972-782-6151  
Email: b.white@ci.farmesville.tx.us

Participant may designate other authorized representatives by written instrument signed by an existing Participant Authorized Representative or Participant's chief executive officer.

DATED 07-24-2012

City of Farmersville  
(NAME OF PARTICIPANT)

SIGNED BY: \_\_\_\_\_  
(Signature of official)

Joseph E. Helmberger, P.E./Mayor  
(Printed name and title)

ATTESTED BY: \_\_\_\_\_  
(Signature of official)

Edythe Sims/City Secretary  
(Printed name and title)

OFFICIAL SEAL OF PARTICIPANT (REQUIRED)

FOR INTERNAL USE ONLY  
APPROVED AND ACCEPTED: TEXAS SHORT TERM ASSET RESERVE FUND

.....  
AUTHORIZED SIGNER



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon applicable renewal agreements and associated information regarding broadband and communication services

Attached is a spreadsheet depicting the broadband and communications service providers, the contract information and payment schedule

**ACTION: Council to discuss and take action as deemed necessary**

(IV - F)

<b>Company</b>	<b>Contract End Date</b>	<b>Payment Amount</b>	<b>Payment Style</b>
AT&T Broadband	02/11/2017	approximately 9,000	annually
Time Warner Cable	02/11/2017	approximately 12,000	annually
T Mobile	11/20/2013	\$1,290	monthly
Partnership Broadband	08/11/2012	300.00 X 3 towers	monthly



**TO:** Mayor and Councilmembers

**FROM:** City Manager Ben White

**DATE:** June 24, 2012

**SUBJECT:** Consider, discuss and act upon an agreement between the City of Wylie and the City of Farmersville for air bottle recharging for the Farmersville Fire Department

Agreement between City of Wylie and City of Farmersville is attached

**ACTION:** Approve or disapprove agreement

(IV - G)

## **AGREEMENT BETWEEN CITY OF WYLIE AND CITY OF FARMERSVILLE**

This agreement (the "Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_ 2012 (the "Effective Date"), by and between the City of Wylie, Texas a home-rule municipal corporation, Collin, Rockwall and Dallas Counties, Texas (hereinafter called the "Wylie") and the City of Farmersville, Texas, a Texas general law city (hereinafter called "Farmersville").

**WHEREAS**, Wylie possesses compressors to fill air bottles; and

**WHEREAS**, Farmersville does not possess compressors and has requested the mutual assistance of Wylie to fill their air bottles given that Wylie complies with the Texas Commission of Fire Protection regulations by testing their compressors quarterly; and

**WHEREAS**, in the spirit of cooperation and mutual aid, Wylie desires to execute this Agreement setting forth the terms and conditions for Wylie to fill Farmersville air bottles.

**NOW, THEREFORE**, for and in consideration of the covenants and Agreements contained herein, it is understood and agreed by and between the parties hereto as follows:

### **I.**

#### **TERM OF AGREEMENT**

The term of the Agreement shall be for a period of five (5) years, beginning on the Effective Date. At the end of the Term, this Agreement shall automatically renew on the anniversary of the Effective Date on a yearly basis for five (5) consecutive years, unless either party gives written notice of termination to the other party ninety (90) days prior to the anniversary of the Effective Date.

### **II.**

#### **SCOPE OF SERVICES**

Wylie shall use its compressors to fill Farmersville air bottles pursuant to the terms and conditions provided for herein. Farmersville shall complete the quarterly records and course logs required by the Texas Commission of Fire Protection based upon their use of Wylie's compressors.

### **III.**

#### **PAYMENT**

Farmersville shall pay to Wylie a reasonable fee for the cost attributed to the use of the compressors in accordance with the Texas Prompt Payment Act.

### **IV.**

#### **PRIORITY OF USE/PROVISION OF MUTUAL AID**

Priority of use of the compressors shall be given to the City. Farmersville shall provide seven (7) days prior written notice requesting that Wylie fill their air bottles. The City acknowledges that, in response to an emergency situation, Farmersville may not have the time to

submit a written request for use of the compressors, and the City agrees to allow such use so long as it does not supersede the City's use of the compressors.

**V.**  
**AVAILABILITY OF FUNDS**

Funds are not presently budgeted for performance under this Agreement beyond the end of the current fiscal year. All expenditures made by City in fulfilling its obligations hereunder shall be paid only from current revenues legally available to City.

**VI.**  
**TERMINATION**

This Agreement may be terminated by either party at its sole option and without prejudice by giving sixty (60) days written notice of termination to the other party.

**VII.**  
**INDEMNIFICATION**

**TO THE EXTENT PERMITTED BY LAW, FARMERSVILLE, ITS OFFICERS, DIRECTORS, PARTNERS, CONTRACTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES (COLLECTIVELY REFERRED TO AS "FARMERSVILLE" FOR PURPOSES OF THIS SECTION), AGREE TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS OFFICERS, COUNCIL MEMBERS, REPRESENTATIVES, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY" FOR PURPOSES OF THIS SECTION) FROM ANY AND ALL CLAIMS, DEMANDS, DAMAGES, INJURIES (INCLUDING DEATH) LIABILITIES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS OF DEFENSE) ARISING DIRECTLY OR INDIRECTLY OUT OF THE OPERATION OR PERFORMANCE OF FARMERSVILLE UNDER THIS AGREEMENT. THE CITY WILL NOT ACCEPT LIABILITY FOR INJURIES THAT ARE THE RESULT OF THE NEGLIGENCE, MALFEASANCE, ACTION OR OMISSION OF FARMERSVILLE. FARMERSVILLE AGREES TO ACCEPT LIABILITY FOR INJURIES TO ITSELF OR OTHERS CAUSED BY ITS OWN NEGLIGENCE, MALFEASANCE, ACTION OR OMISSION.**

**IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY FARMERSVILLE IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CITY'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CITY'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. FARMERSVILLE SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF FARMERSVILLE FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN**



**DEFENSE COUNSEL ON ITS OWN BEHALF, AND FARMERSVILLE SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.**

**THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

**VIII.**  
**ASSIGNMENT OF AGREEMENT**

Neither party shall assign, transfer, or sub-contract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement.

**IX.**  
**WAIVER**

Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance of the Agreement.

**X.**  
**GOVERNING LAW - VENUE**

This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Collin County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Collin County, Texas.

**XI.**  
**NOTICES**

Notices to Farmersville shall be deemed given when delivered in person to \_\_\_\_\_ of Farmersville or on the next business day after the mailing of said notice addressed to said Farmersville by United States mail, certified or registered mail, return receipt requested, and postage paid at \_\_\_\_\_, \_\_\_\_\_, Texas \_\_\_\_\_.

Notices to Wylie shall be deemed given when delivered in person to the City Manager of Wylie or on the next business day after the mailing of said notice addressed to Wylie by United States mail, certified or registered mail, return receipt requested, and postage paid at 300 Country Club, Wylie, Texas 75098.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

**XII.**  
**MISCELLANEOUS PROVISIONS**

1. Ordinances. Except as specifically provided in the Agreement Documents, the

parties agree that Farmersville shall be subject to all Ordinances of Wylie, whether now existing or in the future arising.

2. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding Agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.
3. Other Mutual Aid Agreements. This Agreement is not intended to replace local mutual aid agreements and local jurisdictions are encouraged to develop local agreements with each other for mutual aid in emergency, disaster and/or civil emergency situations.
4. Interlocal Cooperation Act. The Parties agree that mutual aid in the context contemplated herein is a "governmental function and service" and that the Parties are "local governments" as that term is defined herein and in the Interlocal Cooperation Act, Texas Government Code Chapter 791.
5. Assignment. This Agreement may not be assigned without the written Agreement of both parties.
6. Sovereign Immunity. The parties agree that Wylie has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.
7. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its legal counsel.
8. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
9. Default and Remedies. If any party fails to perform any of its obligations under the Contract Documents, such failure shall constitute a default. The nondefaulting party shall give the defaulting party written notice of the default. The defaulting party shall have ten (10) business days after the receipt of such notice in which to cure the default. Failure to cure the default shall constitute a breach of this Agreement. In the event of a breach, the non-breaching party may terminate this Agreement and may seek any reasonable remedy provided by law.

10. Severability Provisions. If any provisions of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable; (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement; and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.
11. Entire Agreement. This Agreement shall be binding upon the parties hereto and constitutes the entire Agreement between the parties. No other Agreements, oral or written, pertaining to the performance of this Agreement exists between the parties. This Agreement can be modified only by an Agreement in writing, signed by both parties.
12. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

IN WITNESS WHEREOF, the parties have executed this Agreement in the year and day first above written.

**CITY OF WYLIE**

\_\_\_\_\_  
Mindy Manson, City Manager

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Carole Ehrlich, City Secretary

\_\_\_\_\_  
Abernathy, Roeder, Boyd & Joplin, PC  
Courtney A. Kuykendall, City Attorney

**CITY OF FARMERSVILLE**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ACKNOWLEDGMENT

STATE OF TEXAS       §  
                                  §  
COUNTY OF COLLIN   §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2012  
by **Mindy Manson, City Manager of the City of Wylie, Texas**, a home-rule municipal  
corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

STATE OF TEXAS       §  
                                  §  
COUNTY OF COLLIN   §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2012  
by \_\_\_\_\_, **City Manager of the City of Farmersville, Texas**, on behalf of said  
organization.

\_\_\_\_\_  
Notary Public in and for the State of Texas



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Comprehensive Plan update

An informative email is attached.

**ACTION: Council to receive information, no action is required.**

(IV - H)

## **Comprehensive Plan Update**

1. Comprehensive Plan contract executed between City of Farmersville and DBI.
2. Comprehensive Plan subcontract executed between DBI and Kimley-Horn.
3. Kick-Off meeting completed.
4. Workshop meeting schedule established:
  - a. Planning Workshop Meeting #1, Complete
  - b. Planning Workshop Meeting #2, Complete
  - c. Planning Workshop Meeting #3, Complete
  - d. Public Planning Workshop/Open House, High School Cafeteria, Tuesday, 7 August 2012, 6:00 - 7:30 pm
    - i. Combine results from previous planning workshops
    - ii. Formulate final information from community in preparation for the Council Planning Workshop
  - e. Council Planning Workshop, Tuesday, August 28, 2012, 6 pm

**Help Shape the  
Future of Farmersville!**



**What does Farmersville's future look  
like to you? Please join us to give your  
input in the Farmersville Comprehensive  
Planning Process!**

# community workshop

**Your thoughts and input  
are important to this process!**

**Tuesday, August 7  
Farmersville High School  
Cafetorium**

**5:30 pm - Doors Open**

**6:00 - 7:30 pm**

**Workshop and Open House**

**499 Hwy 78 N. Farmersville, Texas**



**We hope to see you there!**

For more information, contact Janet Sharp at 214-354-5523



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Consider, discuss and act upon Fiscal Year Budget 2012-2013

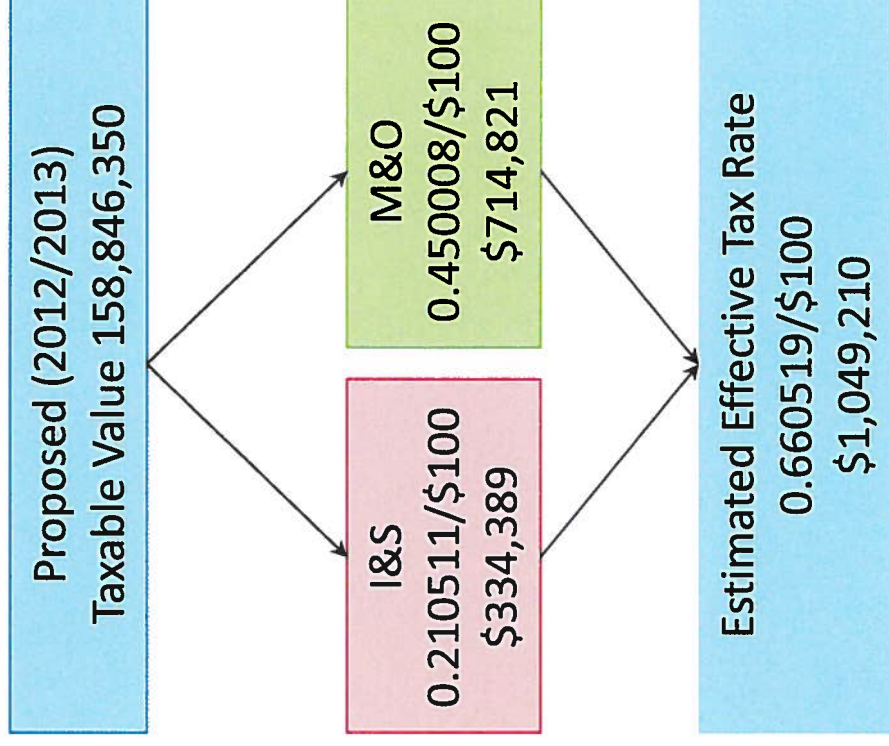
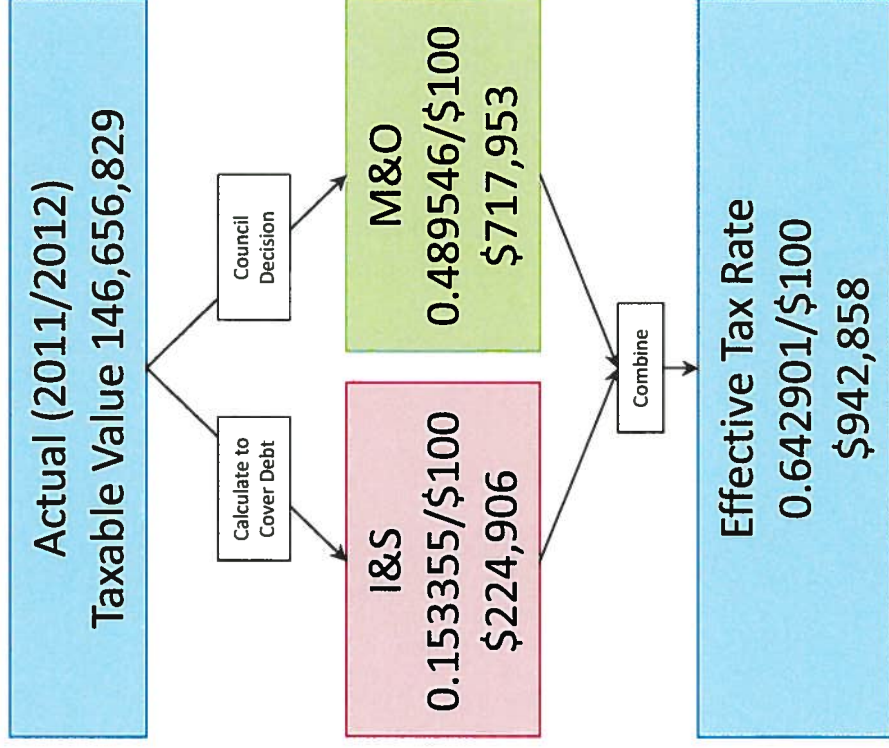
Budget information is attached and Planning Calendar

**ACTION: Council to discuss and take action as deemed necessary**

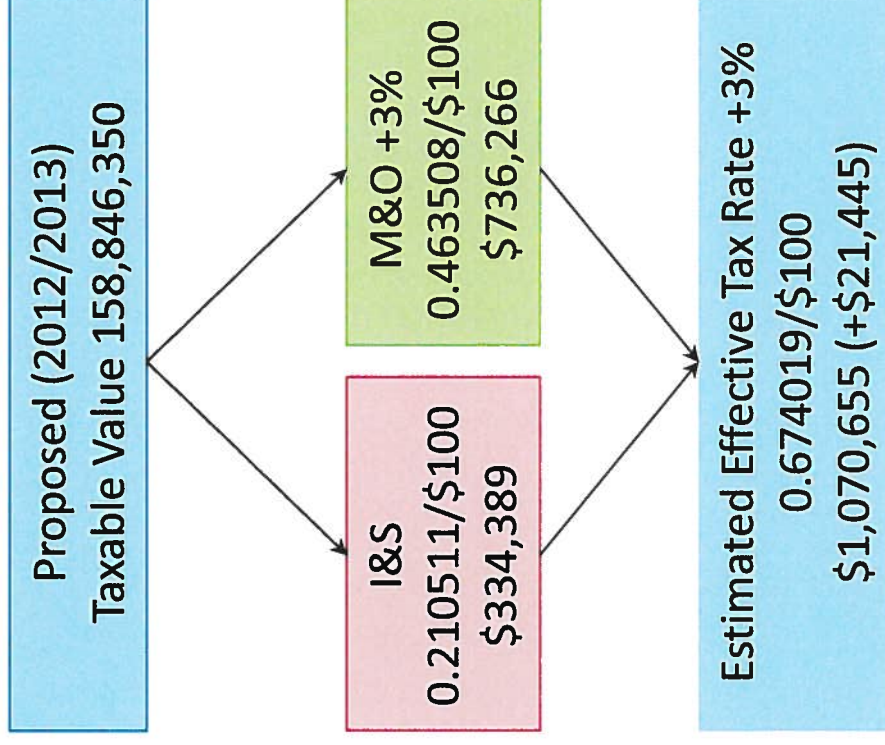
(V - A)



# Ad Valorem Tax Rate Calculations



## Ad Valorem Tax Rate Calculations (Continued)



GENERAL FUND	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET
00-REVENUE						
11.00.5711						
AD VALOREM TAX	658,645	705,214	664,200	705,214	no change	714,821
11.00.5712						
GC CONV-FEE-COURT	1,584	1,500	587	587	discontinued	-
11.00.5713						
DEL. TAX, PEN. & INT.	23,552	20,000	10,424	23,552	no change	20,000
11.00.5714						
GC CONV-FEE-UTILITY	0	0	0	0	discontinued	
					large increase due to one time audit	
11.00.5721						
SALES TAX	275,932	262,000	154,862	485,179	decrease	328,901
11.00.5722						
BEVERAGE TAX	2,378	2,000	331	600	no franchise	600
11.00.5730						
FRANCHISE FEES - GARBAGE	0	5,000	0	0		-
IESI/CONTACT SIGNED 11-2011/ENDS 10/2016 NO FRANCHISE						
11.00.5731						
FRANCHISE FEES - GAS	27,174	30,000	31,237	31,237	annual payment	30,000
TXU ENDS 11/2027/ANNUAL PAYMENT 2% GROSS REVENUES						
11.00.5732						
SKYBEAM	9,900	10,800	5,400	10,800	900/per month	10,800
END 08-0212/300.00PER TOWER/3 TOWER						
11.00.5733						
ELEC. FUND FRANCHISE FEE	5,649	5,500	3,243	5,500		5,500
SHARYLAND WILLOW BROOK END 12-2010/TNP END 12-2015 .14013 EA KILOWATT PAYMENTS QTRLY						







11.00.5998	TRANS.IN- GEN.FND.SURPLUS	0	0	0	0	59,515
11.00.5999	TRANS.IN-PARK IMP.SURPLUS	0	0	0	0	0
<b>TOTAL</b>	<b>REVENUES</b>	<b>2,201,624</b>	<b>2,462,384</b>	<b>1,674,042</b>	<b>2,896,244</b>	<b>2,561,876</b>

11-MAYOR & CITY COUNCIL		2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
			BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
PERSONNEL							
11.11.6115	SALARIES, PART TIME	1,460	2,040	1,020	2,040		2,040
<b>TOTAL</b>		<b>1,460</b>	<b>2,040</b>	<b>1,020</b>	<b>2,040</b>		<b>2,040</b>
CONTRACTS & PROF. SVCS							
11.11.6211	LEGAL SERVICES	0	0	0	0		
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
SUPPLIES							
11.11.6592	OTHER SUPPLIES	0	0	0	0		
11.11.6593	ROBBIN LAMKIN-MEMORIAL	0	0	0	0	discontinued	
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
MISCELLANEO							
11.11.6611	MARKETING	0	0	0	0		
11.11.6612	TRAVEL/SCHOOL/DUES	409	500	55	500		500
11.11.6621	SPECIAL EVENTS	99	200	0	200	trees/shrubs	1,500
11.11.6631	INSURANCE	6,659	6,500	5,107	5,107		5,257
<b>TOTAL</b>		<b>7167</b>	<b>7200</b>	<b>5162</b>	<b>5807</b>		<b>7,257</b>
11.11.6831	CAPITAL EQUIPMENT	0	0	0	0		
<b>TOTAL</b>	<b>MAYOR &amp; CITY COUNCIL</b>	<b>8,627</b>	<b>9,240</b>	<b>6,182</b>	<b>7,847</b>		<b>9,297</b>

11 -GENERAL EXPENSES		2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
12-ADMINIST							
PERSONNEL S							
11.12.6111	SALARIES, REGULAR	153,886	150,977	92,404	164,815		
11.12.6113	SALARIES, OVERTIME	39	0	0	0		
11.12.6115	SALARIES, PART TIME	0	0	0	0		
11.12.6118	BENEFIT POOL ADM. FEE	712	780	485	1044	tml cost to admn	
11.12.6141	FICA EXPENSE	16,404	12,200	8,283	13,373		
11.12.6142	HEALTH INSURANCE	15,390	16,511	5,725	16,543		
11.12.6143	WORKERS COMPENSATION	598	570	493	493		
11.12.6145	UNEMPLOYMENT INSURANCE	621	1,100	51	2,000		
11.12.6146	EMPLOYEE RETIREMENT EXP.	27,837	18,850	21,985	33,100		
11.12.6147	BENEFIT POOL	0	4,320	0	4,488		
11.12.6148	CITY MGR RETIRMEN ALLOWAN	3,600	3,600	900	900		
11.12.6149	CM AFLAC ALLOWANCE	1,684	1,560	648	648		
	ONE TIME APPRECIATION PAY				6,900	REVIEW	
TOTAL		220,771	210,468	130,974	244,304		195,198
CONTRACTS & PROF. SVCS							
11.12.6210	PROFESSIONAL SERVICES	12,986	10,000	5,022	10,000		10,000
11.12.6211	LEGAL SERVICES	95,083	98,000	49,482	80,000		50,000
11.12.6212	FINANCIAL AUDIT FEES	13,450	13,500	0	13,975	actual	14,000
11.12.6213	CODIFICATION EXPENSES	16,793	7,000	13,893	20,000		4,500
11.12.6214	CENTRAL APPR. DIST. EXP.	5,876	5,621	2,916	5,832	1457 /per qtr	5,900
11.12.6215	EMPLOYEE SCREENING	731	1,000	160	500		1,000
11.12.6216	PETTY CASH REPLACEMENT AGG	773	0	0	0	discontinue	
11.12.6217	TAX COLLECTIONS EXPENSE	1,310	1,320	1,346	1,346	annual fee	1,350
11.12.6218	ENGINEERING SERVICES	3,373	2,500	0	2500		-
11.12.6221	ABATEMENT SERVICES	0	0	0	0		3,000
11.12.6222	BLDG INSPECTION	4,870	10,000	10,714	20,000		20,000
TOTAL		155,245	148,941	83,533	154,153		109,750





11 -GENERAL EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
12-ADMINIST SUPPLIES						
11.12.6515 JANITORIAL SUPPLIES	0	200	0	0		-
11.12.6532 PUBLICATION & SUBS.	1,176	1,500	471	1,500		1,500
11.12.6551 MOTOR VEHICLE FUEL	0	0	0	0		
11.12.6591 GENERAL OFFICE SUPPLIES	10,945	12,500	6,421	12,500		12,500
11.12.6592 CHAMBER/BEST CENTER UTILITIE	2,499	4,320	979	3,373		4,000
11.12.6593 4B EXPENSES	2,510	0				
11.12.6594 SPAIN COMPLEX 4B FUNDED	10,287	0	0	0		
11.12.6595 SOUTHLAKE PROJECT 4B FUNDE	288	0	0	0		
<b>TOTAL</b>	<b>27,705</b>	<b>18,520</b>	<b>7,871</b>	<b>17,373</b>		<b>18,000</b>
12-ADMIN MISCELLANEO						
11.12.6610 MARKETING						2,000
11.12.6611 CONTINGENCY	-	7,000	0	0		8,137
11.12.6612 TRAVEL/SCHOOL/DUES	3,696	8,000	5,407	10,000		10,000
11.12.6614 OUTSOURCE UTILITY BILLING	-	0	0		moved to correct fund	
11.12.6615 CREDIT CARD SERVICE FEE	_____	0	0		discontinue	
11.12.6621 SPECIAL EVENTS	966	1,000	1,000	1,000	chamber donation	3,000
11.12.6631 INSURANCE	4,971	5,000	10,589	10,590	w/c/liability/prop	11,500
11.12.6641 ELECTION EXPENSE	1,837	10,000	2,773	10,000		4,000
11.12.6651 ADVERTISING	5,687	10,000	3,117	12,000		8,000
11.12.6698 CHARGED OFF ACCOUNTS	38	0	0	0		
11.12.6699 OTHER EXPENSES	-	0	0	0		
<b>TOTAL</b>	<b>17,195</b>	<b>41,000</b>	<b>22,886</b>	<b>43,590</b>		<b>46,637</b>



11 -GENERAL EXPENSES		2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
14 COURT							
PERSONNEL S							
11.14.6111	SALARIES, REGULAR	43,685	42,453	19,594	42,455		
11.14.6113	SALARIES, OVERTIME	0	0	0	0		
11.14.6115	SALARIES, PART TIME	0	0	0	0		
11.14.6141	FICA EXPENSE	3,217	3,259	1,624	3,250		
11.14.6142	HEALTH INSURANCE	5,094	5,470	2,724	5,470		
11.14.6143	WORKERS COMPENSATION	100	150	83	83		
11.14.6145	UNEMPLOYEMENT INSURANCE	72	400	0	400		
11.14.6146	EMPLOYEE RETIREMENT EXP.	4,970	5,295	2,725	5,525		
11.14.6147	BENEFIT POOL	0	1,440	0	1,440		
	ONE TIME APPRECIATION PAY				1,440	REVIEW	
TOTAL		57,138	58,467	26,750	60,063		60,780
CONTRACTS & PROF. SVCS							
11.14.6211	LEGAL SERVICES	24,065	21,000	12,821	21,000	Judge 1250/mo + lawyer fees	24,000
<del>11.14.6213</del>	<del>PART TIME COURT CLERK</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>remove</del>	
11.14.6215	EMPLOYEE SCREENING	101	300	0	300		150
TOTAL		24,166	21,300	12,821	21,300		24,150
MAINTENANCE							
11.14.6362	VEHC MAINT	0	0	0	0		-
11.14.6364	INFO TECH	1,893	4,397	2,138	5,650	427.50/per month + maint	6,610
11.14.6365	COMPUTER SOFTWARE MAINT.	3,597	3,500	2,172	3,500		3,500
11.14.6366	OFFICE EQUIP MAINT	431	480	237	480	40/month copier lease	480
<del>11.14.6367</del>	<del>BLDG-SECURITY FUND</del>	<del>0</del>	<del>0</del>	<del>428</del>	<del>0</del>	<del>move to fund 18</del>	
<del>11.14.6368</del>	<del>COURT TECHNOLOGY</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>move to fund 17</del>	



TOTAL	5,921	8,377	4,975	9,630	10,590
11 -GENERAL	2010-2011	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES	ACTUAL	CURRENT	Y-T-D	PROJECTED	REQUESTED
14 COURT		BUDGET	ACTUAL	YEAR END	BUDGET
UTILITIES					
11.14.6472	1,179	1,250	640	1,994	1,140
TOTAL	1,179	1,250	640	1,994	1,140
SUPPLIES					
11.14.6551	0	0	0	0	
11.14.6552	0	0	0	0	
11.14.6591	2,657	2,000	1,775	4,000	4,000
TOTAL	2,657	2,000	1,775	4,000	4,000
MISC					
11.14.6612	0	250	582	1,000	1,000
11.14.6615	916	1,200	365	365	
11.14.6631	2,900	2,900	2,393	2,393	2,465
11.14.6642	90	250	264	300	300
11.14.6643	0	0	0	0	
11.14.6644	15	0	1,040		
TOTAL	3,921	4,600	4,644	4,058	3,765
11.14.6831	0	0	0	0	
TOTAL COURT:	94,982	95,994	51,605	101,045	104,425

11 -GENERAL		2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES		ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
15-LIBRARY			BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
11.15.6111	SALARIES-REGULAR	48,505	48,500	22,368	48,500		
11.15.6113	SALARIES-OVERTIME	0	0	0	0		
11.15.6115	SALARIES-PART TIME	5,868	7,800	4,074	8,275		
11.15.6141	FICA EXPENSE	4,195	4,315	2,188	4,345		
11.15.6142	HEALTH INSURANCE	10,601	10,920	5,449	11,805		
11.15.6143	WORKER'S COMPENSATION	154	180	127	127		
11.15.6145	UNEMPLOYMENT INSURANCE	275	300	33	500		
11.15.6146	EMPLOYEE RETIREMENT EXP.	5,673	6,045	3,111	6,310		
11.15.6147	BENEFIT POOL	0	2,880	0	2,880		
11.15.6148	AFLAC-SUPPLINS	0	0	0	0	remove	
	ONE TIME APPRECIATION PAY				3,600	REVIEW	
<b>TOTAL</b>		<b>75,271</b>	<b>80,940</b>	<b>37,350</b>	<b>86,342</b>		<b>85,157</b>
CONTRACTS & PROF. SVCS							
11.15.6215	EMPLOYEE SCREENING	119	400	57	250		250
<b>TOTAL</b>		<b>119</b>	<b>400</b>	<b>57</b>	<b>250</b>		<b>250</b>
MAINTENANCE							
11.15.6361	BUILDING MAINTENANCE	6,465	10,000	3,824	10,000		10,000
11.15.6362	SECURITY SYSTEM	1,732	480	0	507		510
11.15.6363	OFFICE EQUIP. MAINT.	0	750	0	750	copier lease	5100
11.15.6367	INFO TECH	5,030	4,500	2,565	5,130	427.50/per mon	6000
11.15.6365	COMPUTER SOFTWARE MAINT						15,000
<b>TOTAL</b>		<b>13,227</b>	<b>15,730</b>	<b>6,389</b>	<b>16,387</b>		<b>36,610</b>

11 -GENERAL EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
15-LIBRARY						
11.15.6470	1,212	3,500	514	3,500		3,500
11.15.6471	768	1,700	696	1,700		1,700
11.15.6472	988	1,000	1,082	2,140		2,140
11.15.6473	979	3,500	1,123	3,500		3,500
11.15.6474	1,271	1,250	1,071	1,250		1,250
11.15.6475	1,093	2,550	672	2,550		2,550
TOTAL	6,311	13,500	5,158	14,640		14,640
11.15.6515	0	1,200	0	1200		3,000
11.15.6532	0	150	104	150		150
11.15.6591	2,265	1,500	1,046	2,000		2,500
11.15.6592	0	0	162	0		
TOTAL	2,265	2,850	1,312	3,350		5,650
MISCELLANEO						
11.15.6612	270	500	133	500		500
<del>11.15.6615</del>	<del>—</del>	<del>0</del>	<del>0</del>	<del>0</del>	inactive/remove	
11.15.6631	2,900	2,900	2,393	2,393	w/c/liability/prop	2,900
11.15.6699	-	0	0			
TOTAL	3,170	3,400	2,526	2,893		3,400
CAPITAL EXP						
11.15.6821	-	0	0			
11.15.6831	5,451	8,000	5,875	8,000		12,000
11.15.6832	-	0	0			
TOTAL	5,451	8,000	5,875	8,000		12,000





11 -GENERAL		2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES		ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
21-POLICE			BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
PERSONNEL							
11.21.6111	SALARIES, REGULAR	404,339	423,300	195,177	423,760		
11.21.6113	SALARIES, OVERTIME	0	0	0	0		
11.21.6115	SALARIES, PART TIME	0	0	0	0		
11.21.6116	STEP PROGRAM	2,892	2,000	1,212	2,000		
11.21.6141	FICA EXPENSE	30,508	32,382	16,415	32,570		
11.21.6142	HEALTH INSURANCE	37,606	57,524	27,707	54,935		
11.21.6143	WORKERS COMPENSATION	8,421	8,400	6,947	6,947		
11.21.6145	UNEMPLOYMENT INSURANCE	1,384	1,500	78	1,500		
11.21.6146	EMPLOYEE RETIREMENT EXP.	47,542	52,770	28,810	56,454		
11.21.6147	BENEFIT POOL	0	15,570	0	15,840		
	ONE TIME APPRECIATION PAY				13,680	REVIEW	
<b>TOTAL</b>		<b>532,692</b>	<b>593,446</b>	<b>276,346</b>	<b>607,686</b>		<b>622,106</b>
CONTRACTS & PROF. SVCS							
11.21.6210	PROFESSIONAL SERVICES	29	0	1,548	2000		
11.21.6211	LEGAL SERVICES	4,449	2,500	1,380	6,000		6,000
11.21.6215	EMPLOYEE SCREENING	565	1,000	691	1500		2000
11.21.6219	CONTRACTED SERVICES	-	0	0			
11.21.6221	EMPLOYEE SCREENING	955	0	0		duplicate/remove	
11.21.6231	INMATE HOUSING	2,861	3,500	279	3,500		3,500
11.21.6232	DISPATCHING SERVICE	27,956	22,858	11,429	22,858	5,714.74/per qtr	24,960
11.21.6233	CHILD ADVOCACY	5,334	5,334	5,334	5,334	annual payment	6,000
11.21.6234	CODE ENFORCEMENT	-	1,000	0	1,000		2000
<b>TOTAL</b>		<b>42,149</b>	<b>36,192</b>	<b>20,661</b>	<b>42,192</b>		<b>44,460</b>

11 -GENERAL	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES	ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
21-POLICE		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
MAINTENANCE						
11.21.6361 BUILDING MAINTENANCE	14,405	11,000	9,467	15,000		15,000
11.21.6362 MOTOR VEHICLE MAINT.	14,349	20,000	5,509	15,000	copier lease/143.75/per mo	20,000
11.21.6363 OFFICE EQUIP. MAINT.	1,438	1,730	884	1,730		2,000
11.21.6364 RADIO MAINTENANCE	1,599	0	0	0		
11.21.6366 COMPUTER MAINTENANCE	2,616	5,800	6,698	9,000	com maint/incode	12,090
11.21.6367 INFO TECH	9,393	4,400	3,180	6,500	427.50/per month +maint	7,605
<b>TOTAL</b>	<b>43,800</b>	<b>42,930</b>	<b>25,738</b>	<b>47,230</b>		<b>56,695</b>
UTILITIES						
11.21.6471 WATER/SEWER/GARBAGE	1,173	1,800	1,267	3,000	stipend/vehc/office avg 1,150/ per month	3,000
11.21.6472 TELEPHONE SERVICE	10,544	12,000	6,355	13,800		13,800
11.21.6473 ELECTRICITY EXPENSE	4,846	15,350	3,733	11,500		11,500
11.21.6474 GAS SERVICE	2,232	2,500	1,352	2,500		2,500
<b>TOTAL</b>	<b>18,795</b>	<b>31,650</b>	<b>12,707</b>	<b>30,800</b>		<b>30,800</b>
SUPPLIES						
11.21.6515 JANITORIAL SUPPLIES	-	250	0	250		1000
11.21.6531 EDUCATIONAL SUPPLIES	-	0	0			
11.21.6551 MOTOR VEHICLE FUEL	26,399	20,500	9,864	29,664	avg 2400/per month +3%	32,500
11.21.6552 CLOTHING SUPPLIES	11,127	10,000	5,950	10,000		10,000
11.21.6591 GENERAL OFFICE SUPPLIES	6,855	5,000	2,700	5,000		6,000
11.21.6592 OTHER SUPPLIES	8,500	800	1,966	3,500	tickets/fingerprint/etc	2,000
11.21.6593 ANIMAL SHELTER QTRLY FEE	8,354	9,500	4,232	8,475	2,115.75/per qtr	9,500
11.21.6595 MINOR TOOLS	453	1,000	275	1000	misc. items	1,000
<b>TOTAL</b>	<b>61,688</b>	<b>47,050</b>	<b>24,987</b>	<b>57,889</b>		<b>62,000</b>

11 - GENERAL	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES	ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
21-POLICE		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
MISCELLANEO						
11.21.6612 TRAVEL/SCHOOL/DUES	2,605	5,000	1,808	5,000		8,000
11.21.6621 SPECIAL EVENTS	760	0	0	0		
11.21.6631 INSURANCE	7,500	7,500	8,041	8,041	w/c/liability/prop	8,290
11.21.6699 OTHER EXPENSE	0	0	0			
<b>TOTAL</b>	<b>10,865</b>	<b>12,500</b>	<b>9,849</b>	<b>13,041</b>		<b>16,290</b>
CAPITAL EXP						
11.21.6821 CAPITAL IMPROVEMENT	-		10,396	58,428	flood repair/funds from w/www i&S transfer	
11.21.6831 CAPITAL EQUIP. PURHCASES	4,188	0	0	6,700	Cameras/sticks/2 desk	
<b>TOTAL</b>	<b>4,188</b>	<b>-</b>	<b>10,396</b>	<b>65,128</b>		<b>-</b>
11.21.6991 TRANSFERS OUT	32,667	79,900	79,900	79,900		2,000
<b>TOTAL</b>	<b>32,667</b>	<b>79,900</b>	<b>79,900</b>	<b>79,900</b>		<b>2,000</b>
<b>TOTAL POLICE</b>	<b>746,844</b>	<b>843,668</b>	<b>460,584</b>	<b>943,866</b>		<b>834,351</b>





11 -GENERAL	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES	ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
22-FIRE		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
MAINTENANCE						
11.22.6361 BUILDING MAINT.	1,527	3,500	1,040	3,500		3,500
11.22.6362 MOTOR VEHICLE MAINT.	8,566	10,000	4,046	10,000		10,000
11.22.6363 OFFICE EQUIPM MAINT	0	0	0	0		
11.22.6364 RADIO MAINTENANCE	1,268	1,268	1,575	2,000		3,000
11.22.6365 COMPUTER MAINT	0	0	0	0		9,725
11.22.6366 EQUIP. & MACH. MAINT.	312	1,500	1,832	3,500		3,500
11.22.6367 INFO TECH	5,057	4,900	3,050	5500	427.50/per month	6435
<b>TOTAL</b>	<b>16,730</b>	<b>21,168</b>	<b>11,543</b>	<b>24,500</b>		<b>36,160</b>
UTILITIES						
11.22.6471 WATER/SEWER/GARBAGE	61	140	28	0	move to prop/bld fund stipend/pagers/land avg monthly 375.00	5,000
11.22.6472 TELEPHONE SERVICE	5,321	5,500	2,515	4,500		
11.22.6473 ELECTRICITY EXPENSE	-	0	12	0	move to prop/bld fund	
11.22.6474 GAS SERVICE	-	0	0			
<b>TOTAL</b>	<b>5,382</b>	<b>5,640</b>	<b>2,555</b>	<b>4,500</b>		<b>5,000</b>
SUPPLIES						
11.22.6515 JANITORIAL SUPPLIES	-	100	0	100		
11.22.6517 SHOP SUPPLIES	-	800	0	800		800
11.22.6531 EDUCATIONAL SUPPLIES	451	0	0	0		
11.22.6551 MOTOR VEHICLE FUEL	6,321	7,500	3,379	9,400	avg 760/mo +3%	12,000
11.22.6552 CLOTHING SUPPLIES	2,802	5,000	11,008	6,600	move 8400 to capital	15,000
11.22.6553 CHEMICAL SUPPLIES	-	0	0	0		
11.22.6591 GENERAL OFFICE SUPPLIES	521	1,500	942	2,000		2,500
11.22.6592 OTHER SUPPLIES	200	0	454	1,000		
11.22.6595 MINOR TOOLS	85	1,500	0	1500		1,500
<b>TOTAL</b>	<b>10,380</b>	<b>16,400</b>	<b>15,783</b>	<b>21,400</b>		<b>31,800</b>

11 - GENERAL	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
EXPENSES	ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
22-FIRE		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
MISCELLANEO						
11.22.6612 TRAVEL/SCHOOL/DUES	95	300	159	750		2000
11.22.6621 SPECIAL EVENTS	-	0	153	153		500
11.22.6622 INCENTIVE PROGRAM	-	0	0	0		
11.22.6631 INSURANCE	7,784	7,900	3,943	7,900	w/c/liability/prop	8,150
TOTAL	7,879	8,200	4,255	8,803		10,650
CAPITAL EXP						
ENDITURES						
11.22.6821 CAPITAL IMPROVEMENTS	0		0			
11.22.6831 CAPITAL EQUIP. PURCHASES	660		8400	39,115		35,489
11.22.6851 CAPITAL RESERVE - TRUCK	0		0			
TOTAL	660		8,400	39,115		35,489
TRANSFERS						
11.22.6991 TRF TO EQUIP REPL	5,000	9,700	9,700	9700		
TOTAL	5,000	9,700	9,700	9,700		0
TOTAL FIRE	122,462	206,752	121,881	255,478		269,981

11 -GENERAL EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
<b>71 DEBT SERVICE</b>						
<b>71-DEBT SERVICE</b>						
DEBT SERVIC						
11.71.6713 PRINCIPLE EMERGENCY VEH	-	-	-	-		
11.71.6714 PRINCIPAL-FIRE TRUCK	48,258	50,615	50,615	50,615	04 rescue truck & quint	62,015
11.71.6715 PRINCIPAL BACKHOE	1,448	-	-	-		
11.71.6716 INTEREST BACKHOE	1,447	-	-	-		
11.71.6722 INTEREST-FIRE TRUCK	20,135	17,777	17,777	17,777	04 rescue truck & quint	9,051
11.71.6723 INTEREST EMERGENCY VEH	-	-	-	-		6,478
11.71.6725 PRINCIPAL SOFTWARE	-	-	-	-		
11.71.6726 INTEREST SOFTWARE	-	-	-	-		
11.71.6727 SERVICE CHARGE	58	-	-	-		
11.71.6799 DEBT ISSUANCE COSTS	-	-	-	-		
<b>TOTAL</b>	<b>71,346</b>	<b>68,392</b>	<b>68,392</b>	<b>68,392</b>		<b>77,544</b>
<b>TOTAL GF EXPENSES:</b>	<b>1,639,278</b>	<b>1,877,720</b>	<b>1,071,006</b>	<b>2,084,517</b>		<b>1,918,352</b>

	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET	
PERSONNEL SERVICES							
61.34.6111 SALARIES, RE	8,095	98,995	43,919	101,130			
61.34.6113 SALARIES, OV	165	5,000	14,414	40,000			
61.34.6114 SALARIES, PR	0	0	0	0			
61.34.6115 SALARIES, PA	230	0	0	0			
61.34.6141 FICA EXPENSE	597	7,975	4,513	10,800			
61.34.6142 HEALTH INSUR	0	14,811	5,318	14,250			
61.34.6143 WORKERS COMP	0	9,400	9,256	9,256			
61.34.6145 UNEMPLOYMENT	229	1,200	5	1,200			
61.34.6146 RETIREMENT S	2,184	10,025	10,154	19,278			
61.34.6147 BENEFIT POOL	0	3,288	0	5700			
<b>TOTAL</b>	<b>11,500</b>	<b>150,694</b>	<b>87,579</b>	<b>201,614</b>		<b>187,500</b>	
CONTRACTS & PROF. SVCS							
61.34.6211 LEGAL SERVIC	-	6,000	0	2500		-	
61.34.6212 ENGINEERING	-	1,500	0	1500		-	
61.34.6213 SURVEYING	-	0	0			-	
61.34.6214 CONTRACT SER	3,836	3,000	3,286	10,000		8,000	
61.34.6215 OTHER	817	1,000	440	1000		1,000	
61.34.6216 EMPLOYEE SCR	-	500	307	500		300	
<b>TOTAL</b>	<b>4,653</b>	<b>12,000</b>	<b>4,033</b>	<b>13,000</b>		<b>9,300</b>	



	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
<b>61-PUBLIC WORKS STREETS</b>						
MISCELLANEOUS						
61.34.6311 CONSTRUCTION	11,602	50,000	8,873	50,000		45,000
61.34.6312 TOOLS	141	1,000	473	1000		5,000
61.34.6313 RENTAL EQUIP	368	1,000	0	1000		1,000
61.34.6314 EQUIP MAINT	3,167	8,000	3,697	8,000		8,000
61.34.6315 TRAINING	405	500	351	500		500
61.34.6316 INSURANCE	0	0	0	0	remove duplicate	-
61.34.6317 TRANSERS	0	0	0		remove	
61.34.6318 OTHER	357	1,000	169	1500		1,500
61.34.6319 FUEL	9,519	14,000	4,075	14,000		14,000
<b>TOTAL</b>	<b>25,559</b>	<b>75,500</b>	<b>17,638</b>	<b>76,000</b>		<b>75,000</b>
61.34.6362 VEHICLE MAIN	76	5,000	1,007	5,000		3,000
<b>TOTAL</b>	<b>76</b>	<b>5,000</b>	<b>1,007</b>	<b>5,000</b>		<b>3,000</b>
UTILITIES						
61.34.6401 ELECTRIC	17,945	66,600	20,447	66,600		50,000
61.34.6402 GAS	0	0	52	0		-
61.34.6403 REFUSE	0	0	11	0		-
61.34.6404 SEWER	0	0	66	0		-
61.34.6405 WATER	0	0	98	0		-
61.34.6406 TELEPHONE	2,209	8,000	1,728	4,000		2,100
61.34.6407 INTERNET	0	0	0			
<b>TOTAL</b>	<b>20,154</b>	<b>74,600</b>	<b>22,402</b>	<b>70,600</b>		<b>52,100</b>

	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
	ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED	
		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET	
MISCELLANEOUS							
61.34.6631 INSURANCE	0	7000	6,226	6,226		6,420	
<b>TOTAL</b>	<b>0</b>	<b>7000</b>	<b>6,226</b>	<b>6,226</b>		<b>6,420</b>	
<b>61-PUBLIC WORKS STREETS</b>							
CAPITAL EXPENDITURES							
61.34.6821 REAL PROPERT	0	15,000	0	0			
61.34.6831 EQUIPMENT	0	5,450	5,689	5,689		-	
<b>TOTAL</b>	<b>0</b>	<b>20,450</b>	<b>5689</b>	<b>5689</b>		<b>-</b>	
<b>TOTAL STREET DEPT</b>	<b>61,942</b>	<b>345,244</b>	<b>144,574</b>	<b>378,129</b>		<b>333,320</b>	

65 -PROPERTY & BUILDINGS EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
65.35.6216 CIVIC CLEANI	0	0	930	5830		7,500
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>930</b>	<b>5830</b>		
PERSONNEL SERVICES						
65.60.6111 SALARIES, RE	49,886	36,305	14,477	34,000		
65.60.6113 SALARIES, OV	12,529	7,000	6,483	12,100		
65.60.6114 SALARIES, PR	0	0	0			
65.60.6115 SALARIES, PA	15,334	10,400	5,166	10,400		
65.60.6141 FICA EXPENSE	5,366	4,120	2,581	4,325		
65.60.6142 HEALTH INSUR	0	8,205	3,601	6,780		
65.60.6143 WORKERS COMP	0	0	0			
65.60.6145 UNEMPLOYMENT	0	0	0			
65.60.6146 EMPLOYEE RET	558	4,500	1,130	5,700		
65.60.6147 BENEFIT POOL	0	720	0	1440		
<b>TOTAL</b>	<b>83,673</b>	<b>71,250</b>	<b>33,438</b>	<b>74,745</b>		<b>99,047</b>
CONTRACTS & PROF. SVCS						
65.60.6211 LEGALS SERVI	-	1,000	0	1000		1,000
65.60.6212 ENGINEERING	-	2,000	0	2000		2,000
65.60.6213 SURVEYING	-	0	3,500	3,500	mowing/approx 4k/mo Southlake	1,500
65.60.6214 CONTRACT SER	39,778	10,000	24,442	80,000	Demo	58,000
65.60.6215 OTHER	3,989	5,000	634	5000		5,000
<b>TOTAL</b>	<b>43,767</b>	<b>18,000</b>	<b>28,576</b>	<b>91,500</b>		<b>67,500</b>

65 -PROPERTY & BUILDINGS EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
MISCELLANEOUS						
65.60.6311 CONSTRUCTION	9,386	5,000	19,503	35,000		46,000
65.60.6312 TOOLS	1,026	1,000	2,146	3,000		3,000
65.60.6313 RENTAL EQUIP	723	1,000	0	1000		1,000
65.60.6314 TOOLS & EQUI	3,967	4,000	1,733	4,000		14,000
65.60.6315 TRAINING	0	0	0			-
65.60.6316 INSURANCE	0	0	0			-
65.60.6317 TRANSFERS	0	0	0			-
65.60.6318 OTHER	521	1,500	124	1500		1,500
65.60.6319 FUEL	748	3,000	1,046	7,500		8,250
<b>TOTAL</b>	<b>16,371</b>	<b>15,500</b>	<b>24,552</b>	<b>52,000</b>		<b>73,750</b>
MAINTENANCE						
65.60.6362 VEHICLE MAIN	0	0	512	1000		1,000
65.60.6363 PUBLIC WORKS	0	57,825	26,363	57,825	sell assets	46,578
<b>TOTAL</b>	<b>0</b>	<b>57,825</b>	<b>26,875</b>	<b>58,825</b>		<b>47,578</b>
UTILITIES						
65.60.6401 ELECTRIC	28,912	19,250	10,761	25,600		26,400
65.60.6402 GAS	700	3,000	1,723	3,000		3,000
65.60.6403 REFUSE	1,434	3,420	822	2500		2,500
65.60.6404 SEWER	9,658	1,560	581	1560		1,600
65.60.6405 WATER	27,405	18,000	12,707	46,000		36,996
65.60.6406 TELEPHONE	306	0	99	1,200		1,200
65.60.6407 INTERNET	0	0	0			
<b>TOTAL</b>	<b>68,415</b>	<b>45,230</b>	<b>26,693</b>	<b>79,860</b>		<b>71,696</b>

65 -PROPERTY & BUILDINGS EXPENSES	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
65.60.6831 EQUIPMENT						
TOTAL PROB/BLDG	212,226	207,805	141,064	362,760		359,571
Total Expenditures GF	2,131,498	2,430,769	1,356,644	2,825,406		2,611,243
Total Revenues GF	2,201,624	2,462,384	1,674,042	2,896,244		2,561,876
Profit (LOSS)	70,126	31,615	317,398	70,838		-49,367

# **COURT TECH FUND**

	2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED - YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET
00-REVENUE						
COURT TECH						
17.00.5751	\$ 2,972	\$ -	\$ -	\$ 3,350		3,500
<b>TOTAL</b>	<b>\$ 2,972</b>			<b>\$ 3,350</b>		<b>3,500</b>
14-EXPENSES						
COURT TECH						
MAINTENANCE						
17.14.6363	\$ 5,188	\$ -	\$ 258	\$ 4,000		3,500
17.14.6368	\$ 333	\$ -	\$ -			
<b>TOTAL</b>	<b>\$ 5,521</b>	<b>\$ -</b>	<b>\$ 258</b>	<b>\$ 4,000</b>		<b>3,500</b>
<b>FUND PROFIT(LOSS)</b>	<b>\$ (2,549)</b>		<b>\$ (258)</b>	<b>\$ (650)</b>		<b>-</b>

**COURT SECURITY FUND**

	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
00-REVENUE						
18-COUR SECURITY						
18.00.5749 SECURITY FEE	\$ 2,232	0	0	0		2500
<b>TOTAL</b>	<b>\$ 2,232</b>					
MAINTENANCE						
18.14.6362 SECURITY SYS	\$ 4,686	\$ -	\$ 1,038	\$ -		\$ 1,050
18.14.6367 SECURITY EXP	\$ 4,922	\$ -	\$ -	\$ -		
<b>TOTAL</b>	<b>\$ 9,608</b>	<b>\$ 1,038</b>				1450

DEBT SERVICE FUND		2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED	
			BUDGET	ACTUAL	YEAR END	NOTES	BUDGET	

# 00-REVENUE

31.00.5711	AD VALOREM TAX	228,349	233,597	206,870	233,597		335,024	
31.00.5713	DELINQ. TAX, PEN. & INT.	8,068	5,000	4,353	5,000		5,000	
31.00.5715	I&S RESERVES	0	0	0	0			
31.00.5754	BOND PROCEEDS	0	0	0	0			
31.00.5762	INTEREST INCOME	526	500	213	600		600	
31.00.5769	OTHER INCOME	0	0	0	0			
31.00.5991	TRANSFERS IN	0	0	0	0			
<b>TOTAL</b>		<b>236,943</b>	<b>239,097</b>	<b>211,436</b>	<b>239,197</b>		<b>340,624</b>	

# DEBT SERVICE

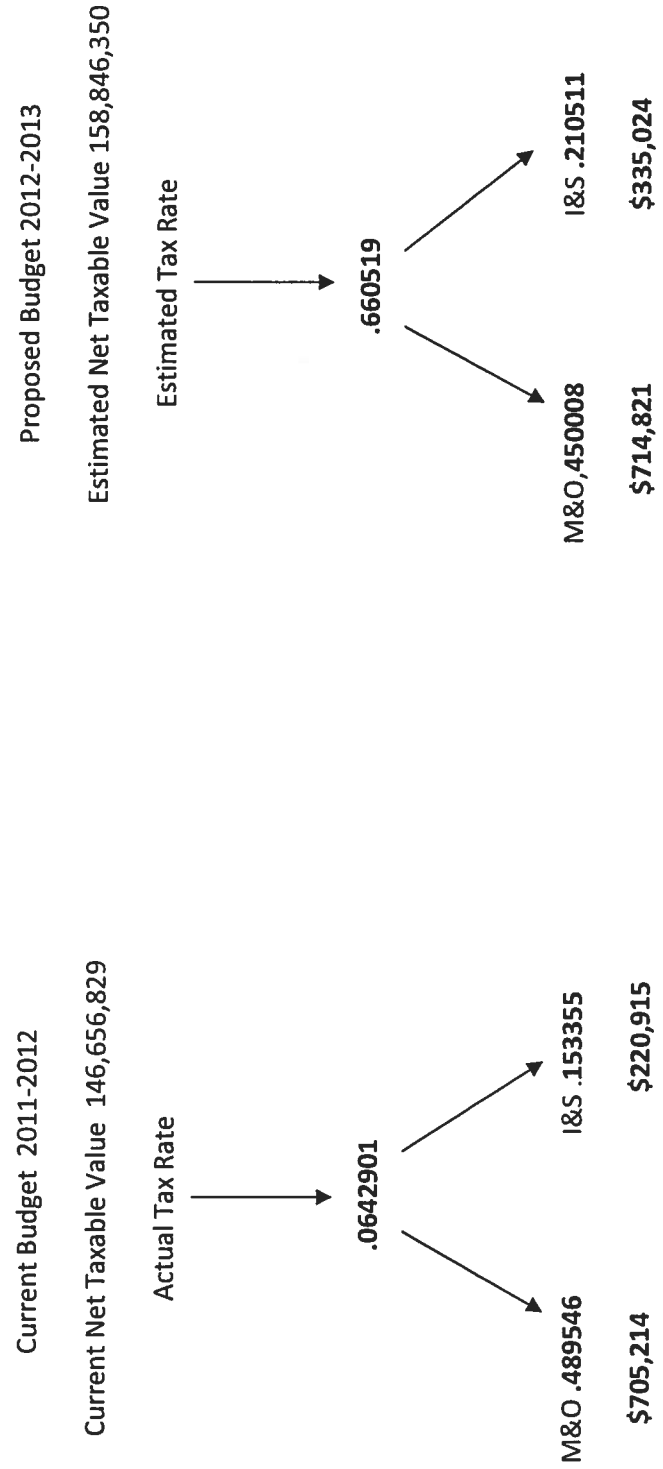
31.71.6723	INTEREST EXPENSE	110,412	104,515	53,732	104,515		149,136	
31.71.6791	DEBT SER.PRINCIPAL	123,340	123,340	123,340	123,340		186,250	
31.71.6792	PAYING AGENT FEES	300	1,000	0	1,000			
<b>TOTAL</b>		<b>234,052</b>	<b>228,855</b>	<b>177,072</b>	<b>228,855</b>		<b>335,386</b>	

# PROFIT (LOSS)

		2,891	10,242	34,364	10,342		5,238	
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Current Tax Rate vs. Proposed Tax Rate



	2009-2010	2010-2011	2011-2012	ESTIMATED Effective Rate 2012-2013	ESTIMATED Effective Rate +3% 2012-2013	ESTIMATED Rollback rate 2012-2013
<b>Net Taxable Value</b>						
New construction						
Net Taxable Value less new construction	154,528,093	148,699,090	146,656,829	158,846,350	158,846,350	158,846,350
Increase from prior year				158,846,350	158,846,350	158,846,350
Increase from prior year %				12,189,521		-
				8.31%		
<b>Tax Rates</b>						
Maintenance & Operations	0.437875	0.452979	0.489546	0.450008	0.463508	0.486008
Interest & Sinking	0.148234	0.157094	0.153355	0.210511	0.210511	0.210511
	0.586109	0.610073	0.642901	0.660519	0.674019	0.696519
Increase in rate from prior year		0.610073	0.032828	0.017618	0.092021	
<b>Tax Levy</b>						
Maintenance & Operations	676,640	673,563	705,214	714,821	736,265	743,413
Interest & Sinking	229,063	233,597	220,915	335,024	335,024	335,024
	905,703	907,160	926,129	1,049,845	1,071,289	1,078,437
<b>Tax Levy (new construction)</b>						
Maintenance & Operations						
Interest & Sinking						
<b>Effect on average home value</b>	96,000	96,000	96,000	96,000	96,000	
<b>Effect on average home tax levy</b>	586	617	634	647	647	-
<b>Increase from current year</b>				17	30	

**48-EQUIPMENT REPLACEMENT FUND****REVENUE****00-REVENUE**

	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
TRF FROM GF ADMIN	\$ 3,700	\$ 14,700	\$ 14,700	\$ 14,700		
TRF FROM GF LIBRARY	\$ 1,000	\$ -	\$ -			
TRF FROM GF POLICE	\$ 32,667	\$ 79,900	\$ 79,900	\$ 79,900		2,000
TRF FROM GF FIRE	\$ 5,000	\$ 9,700	\$ 9,700	\$ 26,845		
TRF FROM GF PARK/STREETS	\$ 5,450	\$ 5,450	\$ 5,450	\$ 5,450		
TRF FROM SANITATION	\$ -	\$ -	\$ -			
TRF FROM WATER	\$ 38,200	\$ 39,200	\$ 39,200	\$ 39,200		
TRF FROM SEWER	\$ 31,950	\$ 32,950	\$ 32,950	\$ 32,950		
TRF FROM ELECTRIC	\$ 200	\$ 1,200	\$ 1,200	\$ 1,200		
TRANSFER IN OTHER FUNDS	\$ -	\$ -	\$ -			
<b>FUND BALANCE</b>						<b>98,685</b>
<b>TOTAL REVENUE</b>	<b>\$ 118,167</b>	<b>\$ 183,100</b>	<b>\$ 183,100</b>	<b>\$ 200,245</b>		<b>100,685</b>

**48-EQUIPMENT REPLACEMENT FUND****EXPENSES**

	2010-2011 ACTUAL	2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
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## CAPITAL EXP

## ADMINISTRATION

48.12.6833 INFO TECH EQUIPMENT \$ 7,135 \$ 7,000 \$ 2,000 7,500.00

**TOTAL ADMIN:**

\$ 7,135 \$ 7,000 \$ - \$ 2,000 **7,500.00**

## CAPITAL EXP

## POLICE

48.21.6832 PATROL VEHICLES \$ 67,936 \$ 41,000 \$ 45,165 \$ 45,165 \$ 43,000  
48.21.6833 INFO TECH EQUIPMENT \$ 15,085 \$ - \$ 11,343 \$ 11,343 \$ 5,000  
48.21.6834 PORTABLE RADIOS \$ 10,775 \$ 10,775 \$ 10,775 \$ 10,775 \$ 3,700

**TOTAL POLICE**

\$ 83,021 \$ 51,775 \$ 55,940 \$ 67,283 \$ 51,700

## CAPITAL EXP

## FIRE

48.22.6835 FIRE EQUIPMENT \$ 19,780 \$ 1,650 \$ 19,780 \$ 10,500

**TOTAL FIRE**

\$ 19,780 \$ 1,650 \$ 19,780 \$ 10,500

## CAPITAL EXP

## PUBLIC WORKS

48.31.6833 INFO TECH EQUIPMENT \$ - \$ - \$ - \$ 35,000  
48.31.6835 PUBLIC WORKS EQUIPMENT \$ - \$ 35,000 \$ 32,277 \$ 35,000

**TOTAL PUBLIC WORKS**

\$ - \$ 35,000 \$ - \$ 32,277 **35,000**

48-EQUIPMENT REPLACEMENT FUND									
EXPENSES		2010-2011	2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		ACTUAL	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	NOTES	REQUESTED	BUDGET
			BUDGET	ACTUAL	YEAR END				
CAPITAL EXP									
WATER									
48.35.6833	INFO TECH EQUIPMENT	\$ 1,696							
TOTAL WATER		\$ 1,696	\$ -	\$ -	\$ -				
CAPITAL EXP									
WASTEWATER									
48.36.6833	INFO TECH EQUIPMENT	\$ 500							
TOTAL WASTEWATER		\$ 500	\$ -	\$ -	\$ -				
CAPITAL EXP									
48.37.6833 INFO TECH EQUIPMENT									
TOTAL ELECTRIC									
TOTAL EXPENSES		\$ 92,352	\$ 113,555	\$ 57,590	\$ 101,560			\$ 94,200	
FUND PROFIT (LOSS)		\$ 25,815	\$ 69,545	\$ 125,510	\$ 98,685			\$ 6,485	

# 63-WASTEWATER FUND

2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
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## 00-REVENUE

63.00.5741	SEWER SALES	435,304	239,537	533,781	avg 42.3 mo	654,909
63.00.5743	FEES	0	0	-		
63.00.5744	PENALTIES	7,861	5,469	11,097		12,000
63.00.5745	AGREEMENTS AND CONTRACTS	0	0	-		
63.00.5746	IMPACT FEE	0	0	-		
63.00.5753	SEWER TAP FEE	0	0	-		
63.00.5762	INTEREST EARNED	0	0	-		
63.00.5767	OTHER REVENUE	0	0	-		
63.00.5768	SEWER BACKUP SERVICES	0	0	-		

## TOTAL REVENUES

443,165	245,006	544,878	666,909
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63 - PUBLIC W EXPENSES 36-WASTEWATER	2011-2012		2011-2012	2011-2012	2011-2012	2012-2013
	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET	
PERSONNEL						
63.36.6111	53,741	25,491	46,448			
63.36.6113	1,500	9,813	17,549			
63.36.6114	0	0	-			
63.36.6115	0	0	-			
63.36.6141	4,230	2,878	4,900			
63.36.6142	7,576	4,132	7,310			
63.36.6143	4,941	4,077	4,077			
63.36.6145	1,000	0	1,000			
63.36.6146	6,885	531	7,679			
63.36.6147	2,786	0	2,786			
<b>TOTAL</b>	<b>82,659</b>	<b>46,922</b>	<b>91,749</b>			<b>139,812</b>
CONTRACTS & PROF SVC						
63.36.6211	27,500	0	-			
63.36.6212	1,000	0	-			
63.36.6213	0	0	-			
63.36.6214	2,000	1,082	15,000	Rehab/line main	2,000	
63.36.6215	1,000	0	-			
63.36.6220	0	0	-			
<b>TOTAL</b>	<b>\$ 31,500</b>	<b>\$ 1,082</b>	<b>15,000</b>			<b>2,000</b>

63 -PUBLIC W EXPENSES 36-WASTEWATE	2011-2012		2011-2012		2011-2012		2012-2013	
	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET			
MISC								
63.36.6311	-	1,451	2,000		2,000			
63.36.6312	-	-	-					
63.36.6313	-	-	-					
63.36.6314	-	894	1,500		2,000			
63.36.6315	-	-	-					
63.36.6316	-	-	-					
63.36.6317	-	-	-					
63.36.6318	-	125	125					
63.36.6319	-	3,061	8,380		10,000			
TOTAL	-	5,531	12,005		14,000			
MAINTENANCE								
63.36.6353	185,000	89,047	188,650		206,380			
63.36.6356	20,000	121	20,000		20,000			
63.36.6359	20,000	0	20,000		20,000			
63.36.6362	0	162	200		250			
63.36.6365	0	0	-					
63.36.6366	2,000	0	-		2,000			
TOTAL	227,000	89,330	228,850		248,630			



63 -PUBLIC W EXPENSES 36-WASTEWATE	2011-2012		2011-2012		2011-2012		2012-2013	
	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET			
UTILITIES								
63.36.6401	7,200	4,140	7200		7,416			
63.36.6402	0	0	0					
63.36.6403	0	0	0					
63.36.6404	0	0	0					
63.36.6405	0	53	0					
63.36.6406	0	238	750		750			
63.36.6407	0	0	0					
TOTAL	7,200	4,431	7,950		8,166			
MISCELLANEOU								
63.36.6698		-67	0					
TOTAL		-67	0					
DEBT SERVICE								
63.36.6723	55,198	26,862	55198		51,046			
63.36.6791	61,661	61,661	61661		63,750			
TOTAL	116,859	88,523	116859		114,796			

63 -PUBLIC W EXPENSES 36-WASTEWATE	2011-2012		2011-2012		2011-2012		2011-2012	2012-2013	
	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	BUDGET AMEND NOTES	REQUESTED BUDGET				
CAPITAL EXPE									
63.36.6821	0	0	0						
63.36.6831	2,000	0	0						
<hr/>									
TOTAL	2,000	0	0						
<hr/>									
TRANSFERS									
<hr/>									
63.36.6991	43,451	21,725	101,879					139,505	
63.36.6992	32,950	32,950	32,950					0	
63.36.6993	0		0						
<hr/>									
TOTAL	76,401	54,675	134,829					139,505	
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TOTAL									
<hr/>									
PROFIT (LOSS)	\$ 543,619	\$ 290,427	\$ 607,242					\$ 666,909	
<hr/>									
	\$ (100,454)	\$ (45,421)	\$ (62,364)					\$ -	
<hr/>									

64-WATER FUND		2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	NOTES	REQUESTED
		BUDGET	ACTUAL	YEAR END			BUDGET
00-REVENUE							
64.00.5714	CC CONV. FEE	1,400	626	626		DISCONTINUE	-
64.00.5743	CONNECT FEE	2,999	2,124	3,578			3,500
64.00.5744	PENALTIES	8,397	11,149	17,215			17,000
64.00.5745	AGREEMENTS AND CONTRACTS	131,990	122,396	180,611		caddo/cope/n fvill	131,990
64.00.5746	IMPACT FEE	0	0				
64.00.5751	CITY WATER SALES	748,303	394,874	813,883			870,990
64.00.5753	WATER TAP FEES	0	0				
64.00.5762	INTEREST EARNED	2,000	64	1,000			1,000
64.00.5767	OTHER REVENUE	0	1,666	1,666			
64.35.5762	INTEREST EARNED	0	415	1,200			
TOTAL REVENUE		895,089	533,314	1,019,779			1,024,480
64.12.6111 SALARIES, REGULAR		114,367	76,885	123,022			
64.12.6113 OVERTIME		0	0	-			
64.12.6141 FICA		8,250	5,940	9,425			
64.12.6142 HEALTH INSURANCE		11,232	4,357	7,082			
64.12.6143 WORKERS COMP		683	0	683			
64.12.6146 EMPLOYEE RETIREMENT SYSTE		10,507	3,681	14,762			
64.12.6147 BENEFIT POOL		2,880	0	2,880			
TOTAL		147,919	90,863	157,854			75,993

64-WATER FUND		2011-2012 CURRENT BUDGET	2011-2012 Y-T-D ACTUAL	2011-2012 PROJECTED YEAR END	2011-2012 BUDGET AMEND NOTES	2012-2013 REQUESTED BUDGET
PROF SVC						
64.12.6211	LEGAL SERVICE	2,500	11	11		1,500
<b>TOTAL</b>		<b>2,500</b>	<b>11</b>	<b>11</b>		<b>1500</b>
MAINTENANCE						
64.12.6365	COMPUTER SOFTWARE MAINT	1,000	1,100	1,100		1,200
64.12.6367	INFO TECH	5,500	0			5,500
<b>TOTAL</b>		<b>6,500</b>	<b>1,100</b>	<b>1,100</b>		<b>6,700</b>
UTILITIES						
64.12.6472	ANSWERING SERVICE	0	0			
64.12.6485	UTILITY OUTSOURCING	16,000	4,472	16,000		17,500
<b>TOTAL</b>		<b>16,000</b>	<b>4,472</b>	<b>16,000</b>		<b>17,500</b>
SUPPLIES						
64.12.6515	JANITORIAL SUPPLIES	250	0	250		250
64.12.6591	OFFICE SUPPLIES	500	150	500		500
<b>TOTAL</b>		<b>750</b>	<b>150</b>	<b>750</b>		<b>750</b>

64-WATER FUND	2011-2012		2011-2012		2011-2012		2011-2012		2012-2013	
	CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED					
	BUDGET	ACTUAL	YEAR END	NOTES	BUDGET					
MISCELLANEO										
64.12.6615 CC FEE	2,000	279	750		1,000					
<b>TOTAL</b>	<b>2,000</b>	<b>279</b>	<b>750</b>		<b>1000</b>					
<b>TOTAL ADMIN</b>	<b>175,669</b>	<b>96,875</b>	<b>176,465</b>		<b>103,443</b>					
WATER										
PERSONNEL S										
64.35.6111 SALARIES, REGULAR	92,919	44,688	88,663							
64.35.6113 SALARIES, OVERTIME	10,000	13,134	25,000							
64.35.6114 SALARIES, PRORATED	0	0								
64.35.6115 SALARIES, PART-TIME	0	0								
64.35.6141 FICA EXPENSE	7,875	4,673	8,700							
64.35.6142 HEALTH INSURANCE	12,067	5,488	8,300							
64.35.6143 WORKS COMP	2,500	3,859	3,859							
64.35.6145 UNEMPLOYMENT INSURANCE	1,250	5	1,250							
64.35.6146 RETIREMENT EXPENSE	12,870	7,493	13,750							
64.35.6147 BENEFIT POOL	2,496	0	2,496							
<b>TOTAL</b>	<b>141,977</b>	<b>79,340</b>	<b>152,018</b>		<b>107,310</b>					

64-WATER FUND	2011-2012		2011-2012		2011-2012		2011-2012		2012-2013	
	CURRENT		Y-T-D		PROJECTED	BUDGET AMEND		REQUESTED		
	BUDGET		ACTUAL		YEAR END	NOTES		BUDGET		

CONTRACTS &

64.35.6211	LEGAL SERVICES	37,500	136	1,000	2,500				
64.35.6212	ENGINEERING	20,000	685	2,000	20,000				
64.35.6213	SURVEYING	0	0						
64.35.6214	CONTRACT SERVICES	0	43,703	9,500	15,000				
64.35.6215	OTHER	5,000	196	1,500	5,000				
64.35.6219	ADMN. SUP. CHARGES	16,655	8,327	16,655	16,655				
64.35.6220	OUTSOURCING UTILITY BILLI	0	2,392	-					

<b>TOTAL</b>		<b>79,155</b>	<b>55,439</b>	<b>30,655</b>	<b>59,155</b>				
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MISCELLANEO

64.35.6311	CONSTRUCTION MATERIAL	60,000	16,932	40,000	50,000				
64.35.6312	TOOLS	5,000	554	2,000	5,000				
64.35.6313	RENTAL EQUIPMENT	5,000	0	2,000	5,000				
64.35.6314	TOOLS AND EQUIPMENT MAINT	10,000	2,347	10,000	10,000				
64.35.6315	TRAINING	1,000	57	1,000	1,000				
64.35.6316	INSURANCE	12,642	0	-	15,000				
64.35.6317	TRANSFERS	0	0						
64.35.6318	OTHER	5,000	737	5,000	5,000				
64.35.6319	FUEL	7,500	3,971	11,500	15,000				
64.35.6320	CREDIT CARD CONV FEE	0	88	88					

<b>TOTAL</b>		<b>106,142</b>	<b>24,686</b>	<b>71,588</b>	<b>106,000</b>				
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64-WATER FUND		2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED
		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET
MAINTENANCE						
64.35.6362	VEHICLE MAINT	0	2,420	5,000		5,000
64.35.6365	INFO TECHNOLOGY	5,500	5,278	7,900		8,500
<b>TOTAL</b>		<b>5,500</b>	<b>7,698</b>	<b>12,900</b>		<b>13,500</b>
UTILITIES						
64.35.6401	ELECTRIC	24,000	11,213	24,000		25,200
64.35.6402	GAS	0	0			
64.35.6403	REFUSE	0	0			
64.35.6404	SEWER	0	0			
64.35.6405	TELEPHONE	1,500	69,954	-		
64.35.6406	TELEPHONE	0	1,085	2,500		3,000
64.35.6407	INTERNET	0	0			
64.35.6482	RENT	1,200	600	1,200		1,200
<b>TOTAL</b>		<b>26,700</b>	<b>82,852</b>	<b>27,700</b>		<b>29,400</b>
SUPPLIES						
64.35.6555	WATER SUPPLY PURCHASED	420,714	104,474	420,714		479,598
<b>TOTAL</b>		<b>420,714</b>	<b>104,474</b>	<b>420,714</b>		<b>479,598</b>

64-WATER FUND		2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	BUDGET AMEND	REQUESTED	
		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET	
MISCELLANEO							
64.35.6631	INSURANCE	0	3,523	3,523		4,200	
64.35.6698	CHARGED OFF ACCOUNTS	0	-388	(388)			
TOTAL		0	3,135	3,135		4,200	
CAPITAL EXP							
64.35.6821	REAL PROPERTY	2,000	0	-			
64.35.6831	EQUIPMENT	0	0	-			
TOTAL		2,000	0				
TRANSFERS							
64.35.6991	TRANSFER OUT	220,446	168,651	220,446		121,874	
64.35.6992	TRF TO EQUIP FUND	39,200	39,200	39,200			
TOTAL		259,646	207,851	259,646		121,874	
TOTAL FUND		1,217,503	662,350	1,154,821		1,024,480	
PROFIT (LOSS)		(322,414)	(129,036)	(135,042)		-	



67 ELECTRIC FUND		2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	AMEND	REQUESTED	
		BUDGET	ACTUAL	YEAR END	NOTES	BUDGET	
00-REVENUE							
67.00.5743	FEES	0	0	-			
67.00.5744	PENALTIES	0	0	-			
67.00.5745	AGREEMENTS AND CONTRACTS	810,000	169,588	856,768		850,000	
67.00.5751	ELECTRICITY SALES	0	-86	-			
67.00.5762	INTEREST	500	72	250		250	
67.00.5767	OTHER REVENUE	0	0	-			
67	SURCHARGE					150,000	
TOTAL REVENUE		810,500	169,574	857,018		1,000,250	
EXPENSES							
PERSONNEL SE							
67.37.6111	SALARIES, REGULAR	28,925	19,149	32,100			
67.37.6113	SALARIES, OVERTIME	0	0	-			
67.37.6114	SALARIES, PRORATED	0	0	-			
67.37.6115	SALARIES, PART-TIME	0	0	-			
67.37.6141	FICA EXPENSE	2,006	1,515	2,500			
67.37.6142	HEALTH INSURANCE	2,008	1,816	4,540			
67.37.6143	WORKERS COMP	751	0	751			
67.37.6145	UNEMPLOYMENT INSURANCE	500	0	500			
67.37.6146	RETIREMENT EXPENSE	3,378	0	3,852			
67.37.6147	BENEFIT POOL	720	0	720			
TOTAL		38,288	22,480	44,963		16,200	

		2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
67 ELECTRIC FUND		CURRENT	Y-T-D	PROJECTED	BUDGET	REQUESTED
		BUDGET	ACTUAL	YEAR END	AMEND	BUDGET
					NOTES	
CONTRACTS &						
67.37.6211	LEGAL SERVICES	0	7,520	7,520		5,000
67.37.6212	ENGINEERING	75,000	1,596	15,000		75,000
67.37.6213	SURVEYING	0	0	-		
67.37.6214	CONTRACT SERVICES	0	10,635	20,000		25,000
67.37.6215	OTHER	0	0	-		
TOTAL		75,000	19,751	42,520		105,000
MISCELLANEOU						
67.37.6311	CONSTRUCTION MATERIALS	25,000	1,629	2,500		25,000
67.37.6312	TOOLS	0	0	-		
67.37.6313	RENTAL EQUIPMENT	0	0	-		
67.37.6314	TOOLS AND EQUIPMENT MAINT	0	0	-		
67.37.6315	TRAINING	0	0	-		
67.37.6316	INSURANCE	0	0	-		
67.37.6317	TRANSFERS	0	0	-		
67.37.6318	OTHER	0	100	100		
67.37.6319	FUEL	0	0	-		
TOTAL		25,000	1,729	2,600		25,000

		2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	2011-2012	2012-2013
		BUDGET	ACTUAL	YEAR END	BUDGET	REQUESTED
					AMEND	BUDGET
					NOTES	

## 67 ELECTRIC FUND

UTILITIES						
67.37.6401	ELECTRIC	0	724	725		
67.37.6402	GAS	0	0	0		
67.37.6403	REFUSE	0	0	0		
67.37.6404	SEWER	0	0	0		
67.37.6405	WATER	0	0	0		
67.37.6406	TELEPHONE	0	0	0		
67.37.6407	INTERNET	0	0	0		
<b>TOTAL</b>		<b>0</b>	<b>724</b>	<b>725</b>		

MISCELLANEOU						
67.37.6612	TRAVEL/SCHOOL/DUES	0	1,900	1900		
<b>TOTAL</b>		<b>0</b>	<b>1,900</b>	<b>1900</b>		

CAPITAL EXPE						
67.37.6821	REAL PROPERTY	0	0	0		
67.37.6831	EQUIPMENT	2,000	0	0		
67	SURCHARGE					150,000
<b>TOTAL</b>		<b>2,000</b>	<b>-</b>	<b>-</b>		<b>150,000</b>

67 ELECTRIC FUND		2011-2012	2011-2012	2011-2012	2011-2012	2011-2012	2012-2013
		CURRENT	Y-T-D	PROJECTED	BUDGET	AMEND	REQUESTED
		BUDGET	ACTUAL	YEAR END		NOTES	BUDGET
TRANSFERS							
67.37.6991	TRANSFER OUT	674,000	337,000	674,000			704,050
67.37.6992	EQUIPMENT TRSNFER	1,200	1,200	1,200			
67.37.6993	TRANSFER IN	0		-			
<b>TOTAL</b>		<b>675,200</b>	<b>338,200</b>	<b>675,200</b>			<b>704,050</b>
<b>FUND TOTAL</b>		<b>815,488</b>	<b>384,784</b>	<b>767,908</b>			<b>1,000,250</b>
<b>PROFIT (LOSS)</b>		<b>-4,988</b>	<b>-215,210</b>	<b>89,110</b>			<b>-</b>



TO: Mayor and Councilmembers

FROM: City Manager Ben White

DATE: June 24, 2012

SUBJECT: Discuss and consider proposed tax rate, set two public hearing dates for the tax rate, and direct staff in the preparation of an ordinance for the establishment of the selected rate

Budget Planning Calendar is attached

**ACTION:** Consider proposed tax rate, set two public hearing dates for the tax rate and direct staff to prepare the ordinance regarding the selected rate

(V - B)

## 2012 Planning Calender

**\* Please provide your adopted tax rate to the Collin County Tax Office by September 19, 2012**

**City** FARMERSVILLE

April - May	Mailing of notices of appraised value by chief appraiser.
May-08	Deadline for submitting appraisal records to ARB
July 20 (Sept. 2)	Deadline for ARB to approve appraisal records
07/25/12	Deadline for chief appraiser to certify rolls to taxing units
	Certification of anticipated collection rate by collector
	Calculation of effective and rollback tax rates
	Publication of effective and rollback tax rates, statement and schedules; submission governing body.
07/20/12	72-Hour notice for meeting (Open Meetings Notice)
07/24/12	Meeting of governing body to discuss tax rate; if proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), take record vote and schedule public hearing.
08/02/12	NOTICE OF Public Hearing on Tax Increase is the first quarter-page notice in newspaper and on TV and Web site, if available, published at least seven (7) days before public hearing.
08/10/12	72-Hour notice for public hearing (Open Meetings Notice)
08/14/12	Public Hearing
08/24/12	72-Hour notice for second public hearing (Open Meetings Notice),
08/28/12	Second public hearing; schedule and announce meeting to adopt tax rate 3-14 days from this date.
08/30/12	Notice of Vote on Tax Rate Published before meeting* to adopt tax rate is the second quarter-page notice in newspaper before meeting and published on TV and Web site (if available, at least seven (7) days before meeting).
09/07/12	72-Hour notice for meeting at which governing body will adopt tax rate (Open Meetings Notice).
09/11/12	Meeting to adopt tax rate. Meeting is 3 to 14 after second public hearing. Taxing unit must adopt tax rate before September 30 or 60 days after receiving certified appraisal roll, whichever is later.

\*S.B. 18 may be interpreted as requiring one or two notices of vote on a tax rate. Either interpretation is reasonable and advice of taxing unit legal counsel should be sought to determine which approach to take in notifying the public of the meeting at which the governing body will vote on the tax rate.

**\* Please provide your adopted tax rate to the Collin County Tax Office by September 19, 2012. Please email to: [aelledge@co.collin.tx.us](mailto:aelledge@co.collin.tx.us) or fax to 214-491-4808 or mail to Alvis Elledge, Collin County Tax Office, P O Box 8046, McKinney, Texas 75070**