



## AGENDA

### CITY COUNCIL MEETING

**May 17, 2011 @ 7:00 P.M.**

Notice is hereby given the City Council for the City of Parker will meet in a Regular Meeting on Tuesday, May 17, 2011 at 7:00 P.M. at Parker City Hall, 5700 E. Parker Road, Parker, Texas 75002.

#### **CALL TO ORDER – Roll Call and Determination of a Quorum**

#### **PLEDGE OF ALLEGIANCE**

American Pledge: I pledge allegiance to the flag of the United States of America; and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

Texas Pledge: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

1. ADMINISTER OATH OF OFFICE TO Z MARSHALL, ALLISON SUMROW AND DAVID LEAMY.

BRIEF RECESS FOR A "MEET AND GREET"

**PUBLIC COMMENTS** The City Council invites any person with business before the Council not scheduled on the agenda to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

#### **INDIVIDUAL CONSIDERATION ITEMS**

2. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES FOR MAY 3, 2011.
3. CONSIDER ORDINANCE 668 AUTHORIZING THE ISSUANCE OF CITY OF PARKER TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,930,000; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; LEVYING AN ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO.

4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON APPOINTING A MAYOR PRO-TEM.
5. CONSIDERATION AND/OR ANY APPROPRIATE ACTION RESOLUTION 2011-331 DESIGNATING SIGNATORIES FOR BANKING TRANSACTIONS WITH AMERICAN NATIONAL BANK.
6. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011-332 APPOINTING MEMBERS OF THE INVESTMENT COMMITTEE.
7. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011-333 APPOINTING MEMBERS OF THE BOARD OF DIRECTORS OF THE CITY OF PARKER, TEXAS CULTURAL EDUCATION FACILITIES FINANCE CORPORATION.
8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING RESOLUTION 2011-334 APPOINTING MEMBERS OF THE PERSONNEL COMMITTEE.
9. CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING RESOLUTION 2011-335 APPOINTING MEMBERS OF THE EMERGENCY MANAGEMENT COMMITTEE.
10. CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING RESOLUTION 2011-336 APPROVING THE NEWSLETTER PROCESS AND PROCEDURES AND APPOINTING MEMBERS TO A NEWSLETTER REVIEW COMMITTEE.

## **ROUTINE ITEMS**

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11. FUTURE AGENDA ITEM REQUESTS.

12. UPDATES

- a. DEPARTMENT REPORTS: Building, Animal Control, Police, Fire, Finance and Website

13. ADJOURN

In addition to any specifically identified Executive Sessions, Council may convene into Executive Session at any point during the open meeting to discuss any item posted on this Agenda. The Open Meetings Act provides specific exceptions that require that a meeting be open. Should Council elect to convene into Executive Session, those exceptions will be specifically identified and announced. Any subsequent action, as a result of this Executive Session, will be taken and recorded in open session.

I certify that this Notice of Meeting was posted on May 13, 2011 by 5:00 p.m. at the Parker City Hall, and as a courtesy, this Agenda is also posted to the City of Parker Website at [www.parkertexas.us](http://www.parkertexas.us).

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Date Notice Removed

Carrie L. Smith, TRMC, CMC

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City Secretary

The Parker City Hall is Wheelchair accessible. Sign interpretations or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Secretary's Office at 972 442 6811.



# Council Agenda Item

|                                     |     |                           |                        |
|-------------------------------------|-----|---------------------------|------------------------|
| Budget Account Code:                | N/A | Meeting Date:             | May 17, 2011           |
| Budgeted Amount:                    |     | Department/<br>Requestor: | City Council           |
| Fund Balance-before<br>expenditure: |     | Prepared by:              | Carrie Smith <i>CS</i> |
| Estimated Cost:                     |     | Date Prepared:            | May 10, 2011           |
| Exhibits:                           |     |                           |                        |

## AGENDA SUBJECT

ADMINISTER OATH OF OFFICE TO Z MARSHALL, ALLISON SUMROW AND DAVID LEAMY.

## SUMMARY

1. City Secretary Smith will administer the Oath of Office to the new Councilmembers.
2. New Councilmember Leamy will take his seat at the bench.
3. Mayor will recess the meeting for a short “Meet and Greet”.

| Inter – Office Use  |                     |       |         |
|---------------------|---------------------|-------|---------|
| <b>Approved by:</b> |                     |       |         |
| Department Head:    | <i>Jeff Hayes</i>   | Date: | 5-13-11 |
| City Attorney:      |                     | Date: |         |
| City Administrator: | <i>Carrie Smith</i> | Date: | 5-12-11 |



# Council Agenda Item

|                                     |                     |                           |                        |
|-------------------------------------|---------------------|---------------------------|------------------------|
| Budget Account Code:                | N/A                 | Meeting Date:             | May 17, 2011           |
| Budgeted Amount:                    |                     | Department/<br>Requestor: | City Council           |
| Fund Balance-before<br>expenditure: |                     | Prepared by:              | Carrie Smith <i>CS</i> |
| Estimated Cost:                     |                     | Date Prepared:            | May 10, 2011           |
| Exhibits:                           | 1) Proposed Minutes |                           |                        |

## AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES  
FOR May 3, 2011.

## SUMMARY

Please review the proposed minutes. If you find any errors or would like to recommend a change please contact Dena or me prior to the meeting.

## POSSIBLE ACTION

- Move to approve as written.
- Move to approve as amended.

| Inter – Office Use  |                    |       |         |
|---------------------|--------------------|-------|---------|
| <b>Approved by:</b> |                    |       |         |
| Department Head:    | <i>Jeff Haynes</i> | Date: | 5-13-11 |
| City Attorney:      |                    | Date: |         |
| City Administrator: | <i>Resigned</i>    | Date: | 5-13-11 |

## MINUTES

### CITY COUNCIL MEETING

May 3, 2011

#### **CALL TO ORDER – Roll Call and Determination of a Quorum**

The Parker City Council met in a regular scheduled meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas 75002.

Mayor Cordina called the meeting to order at 7:00 p.m. with Councilmembers Marshall, Sumrow, Threadgill, Evans and Levine present. A quorum was present.

Staff Present: City Administrator Dena Daniel, City Attorney James Shepherd, Assistant City Administrator Jeff Flanigan, City Secretary Carrie Smith, Finance/HR Manager Johnna Boyd, Police Chief Tony Fragoso and Fire Chief Mike Sheff.

#### **PLEDGE OF ALLEGIANCE**

American Pledge: Ed Standridge led the pledge.

Texas Pledge: Lee Pettle led the pledge

**PUBLIC COMMENTS** The City Council invites any person with business before the Council not scheduled on the agenda to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

Ed Standridge – 4807 Shady Knolls 1) He complemented the Police Department for their service and requested the Council support additional patrol on Springhill Estates. With the opening of Chaparral Road there is additional traffic and higher speeds. 2) He thanked Assistant City Administrator Flanigan for taking his personal time to attend an HOA meeting to discuss the landscape berm along Chaparral and other subjects. 3) Historical Society has received very positive publicity and citizen response. There was an article in the Plano newspaper and Allen Image. The third meeting will be held May 10.

#### **INDIVIDUAL CONSIDERATION ITEMS**

1. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES FOR APRIL 19, 2011.

On page 3, Item 5, additional information on Allied report is to be provided.

**MOTION:** Mayor Pro-tem Threadgill moved to approve the minutes as amended. Councilmember Levine seconded with Councilmembers Marshall, Sumrow, Threadgill, Evans and Levine voting for. Motion carried 5-0.

2. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON FORM OF ORDINANCE 667 REGARDING WIND TURBINES/WIND ENERGY GENERATORS.

City Attorney Jim Shepherd summary:

"The form of the wind turbine ordinance approved at the last meeting is submitted for your consideration. One open item is the issue of noise.

The P&Z version had a maximum noise at the property line which would not constitute a violation of the nuisance ordinance, which is:

75 db between the hours of 6AM and 11PM.

65 db between the hours of 11PM and 6AM

[94.02(k), Parker Code]

The existing ordinance has a limit of 40db. [151.21, Parker Code]

\*P&Z recommended the higher limit. The motion last week approved the P&Z recommendation. No change is necessary unless the council desires to set a different maximum decibel level at the property line of a wind turbine installation. If not, the ordinance is submitted for final approval.

Jim Shepherd

\* P&Z recommended following the nuisance ordinance not a higher limit."

City Attorney Shepherd noted 75 decibels is comparable to the average conversation tone.

MOTION: Councilmember Sumrow moved to approve Ordinance 667 subject to, replacing the first "may" with "shall"; Item 10 after "tract" add "or lot", and in the last sentence delete "additional permits or" of section 10. Councilmember Evans seconded with Councilmembers Sumrow, Threadgill and Evans voted for. Marshall and Levine opposed. Motion carried 3-2.

3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011-329 REGARDING MAYOR'S DUTIES AND RESPONSIBILITIES.

MOTION: Councilmember Levine moved to approve subject to amending the resolution number from 2011-239 to 2011-329. Mayor Pro-tem Threadgill seconded with Councilmember's Marshall, Sumrow, Threadgill, Evans and Levine voting for. Motion carried 5-0.

4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011- 330 APPOINTING THE 2011 AUDITOR.

This is the fifth year to use Pingleton and Howard. Next year the firm will need to be changed.

There is a 5% increase in cost. Finance/H.R. Manager Boyd noted the firm has provided her with complete and professional customer service throughout the year with no additional charges.

**MOTION:** Councilmember Marshall moved to approve as written. Councilmember Levine seconded with Councilmembers Marshall, Sumrow, Threadgill, Evans and Levine voting for. Motion carried 5-0.

**5. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ADVERTISING BIDS FOR BOZEMAN ROAD WATERLINE PROJECT.**

Assistant City Administrator Flanigan's summary:

"As part of the certificate of obligation, water system improvements, this is a part of Phase II to add a 12" water main from Parker Road south to connect to an 8" main installed in 2007. This improvement will increase reliability and fire flow to the south end of Parker."

**MOTION:** Councilmember Evans moved to have staff proceed with preparing the bid specifications and advertise for bids. Mayor Pro-tem Threadgill seconded with Councilmembers Marshall, Sumrow, Threadgill, Evans and Levine voting for. Motion carried 5-0.

**6. DISCUSSION ON FUTURE MONUMENT SIGNAGE IN PARKER.**

City Administrator Daniel requested direction to staff on pricing and construction standards for city monument signage. Council requested a concept plan with pricing and a staff recommendation be presented at the planning session. Councilmember Levine will work with Assistant City Administrator Flanigan on this project.

**ROUTINE ITEMS**

**7. FUTURE AGENDA ITEM REQUESTS.**

5/17 – refunding bond, series 2008  
5/17 – additional patrol on Springhill Estates  
5/17 – Newsletter processes

**8. UPDATES**

- a. 2010 US CENSUS UPDATE
- b. EXPIRING BOARD AND COMMISSION TERMS
- c. WATER TOWER SALE

**9. ADJOURN**

Mayor Cordina adjourned the meeting at 10:00 p.m.

APPROVED:

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Joe Cordina  
Mayor

ATTESTED:

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Carrie L. Smith, TRMC, CMC  
City Secretary

APPROVED on the 17th day of  
May, 2011.



## Council Agenda Item

|                                     |   |                           |                         |
|-------------------------------------|---|---------------------------|-------------------------|
| Budget Account Code:                | N/A   | Meeting Date:             | May 17, 2011            |
| Budgeted Amount:                    |   | Department/<br>Requestor: | First Southwest/Finance |
| Fund Balance-before<br>expenditure: |   | Prepared by:              | Erick Macha             |
| Estimated Cost:                     |   | Date Prepared:            | May 11, 2011            |
| Exhibits:                           | 1) Parker, TX Refunding Series 2011- Preliminary<br>2) Certificate of Ordinance |                           |                         |

### AGENDA SUBJECT

CONSIDER ORDINANCE 668 AUTHORIZING THE ISSUANCE OF CITY OF PARKER TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,930,000; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; LEVYING AN ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO.

### SUMMARY

Attached please find preliminary analysis for possible refunding of the City's Series 2008 Certificates and Series 2008 Bonds. Due to covenants within the City's recent financing, certain constraints would be applicable to eligible financings undertaken for the remainder of the year. Based on discussions with bond counsel and general counsel the attached refunding structure would meet the requirements and be eligible for issuance. The attached figures are based on the same interest rate assumptions as prior analysis for comparison purposes. As indicated on page 2 (Sources & Uses), the issuance constraints do not allow for bond premium to go towards financing costs. The attached illustrates a City contribution and transfer from the debt service fund to be used towards financing costs. The savings page illustrates an approximate \$95,000 loss in FY 2011 due to the required contributions. However, savings in FY 2012 have been structured to offset the loss in FY 2011. We will be glad to prepare alternate saving structures or contribution allocation after review with the City.

## POSSIBLE ACTION

- Move to approve as written.
- Move to approve as amended.

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| Inter - Office Use  |                    |       |         |
|---------------------|--------------------|-------|---------|
| Approved by:        |                    |       |         |
| Department Head:    | <i>W. Hay</i>      | Date: | 5-13-11 |
| City Attorney:      |                    | Date: |         |
| City Administrator: | <i>Leona Lavel</i> | Date: | 5-12-11 |

**SAVINGS**  
**City of Parker, Texas**  
**General Obligation Refunding Bonds, Series 2011 - 10 year Call**  
**Refund GO Series 2008 & CO Series 2008**  
**(with sizing constraints)**

| FYE       | Prior Debt Service |             | Refunding Debt |          | Savings/(Loss) |
|-----------|--------------------|-------------|----------------|----------|----------------|
| 9/30/2011 | \$                 | (115,416) * | \$             | (20,901) | \$ (94,515)    |
| 9/30/2012 |                    | 559,906     |                | 463,800  | 96,107         |
| 9/30/2013 |                    | 561,013     |                | 515,225  | 45,788         |
| 9/30/2014 |                    | 566,288     |                | 523,275  | 43,013         |
| 9/30/2015 |                    | 570,613     |                | 526,075  | 44,538         |
| 9/30/2016 |                    | 569,106     |                | 523,031  | 46,075         |
| 9/30/2017 |                    | 566,888     |                | 523,650  | 43,238         |
| 9/30/2018 |                    | 563,956     |                | 517,888  | 46,069         |
| 9/30/2019 |                    | 565,194     |                | 520,613  | 44,581         |
| 9/30/2020 |                    | 565,481     |                | 521,850  | 43,631         |
| 9/30/2021 |                    | 564,819     |                | 521,525  | 43,294         |
| 9/30/2022 |                    | 563,206     |                | 519,563  | 43,644         |
| 9/30/2023 |                    | 565,525     |                | 521,363  | 44,163         |
| 9/30/2024 |                    | 390,931     |                | 345,963  | 44,969         |
| 9/30/2025 |                    | 340,850     |                | 299,463  | 41,388         |
| 9/30/2026 |                    | 253,381     |                | 210,263  | 43,119         |
| 9/30/2027 |                    | 252,456     |                | 207,563  | 44,894         |
| 9/30/2028 |                    | 255,938     |                | 214,331  | 41,606         |
|           | <hr/>              | <hr/>       | <hr/>          | <hr/>    | <hr/>          |
|           | <hr/>              | <hr/>       | <hr/>          | <hr/>    | <hr/>          |
|           | <hr/>              | <hr/>       | <hr/>          | <hr/>    | <hr/>          |

\* includes transfer from the debt service fund and City contribution to meet par constraint

\*\* includes accrued interest on the refunding bonds

**Refunded Principal:**

|                |                |              |
|----------------|----------------|--------------|
| GO Series 2008 | mat. 2012-2025 | \$ 1,350,000 |
| CO Series 2008 | mat. 2012-2028 | \$ 4,580,000 |
|                |                | <hr/>        |
|                |                | <hr/>        |

Net PV

Savings/(Loss) \$ 516,121

**Percentage Savings of Refunded Bonds = 8.704%**

## SOURCES AND USES OF FUNDS

**City of Parker, TX**  
**With Issuance Constraints**  
**General Obligation Refunding Bonds, Series 2011**  
**Refund Series 2008 GO & Series 2008 C/O**  
**Rates 4/12/2011 - 'AA'**  
**\*\*Preliminary, For Discussion Purposes Only\*\***

---

|                      |                   |
|----------------------|-------------------|
| <b>Dated Date</b>    | <b>06/01/2011</b> |
| <b>Delivery Date</b> | <b>07/12/2011</b> |

**Sources:****Bond Proceeds:**

|                  |              |
|------------------|--------------|
| Par Amount       | 5,765,000.00 |
| Accrued Interest | 20,901.46    |
| Premium          | 159,348.55   |
|                  | <hr/>        |
|                  | 5,945,250.01 |

**Other Sources of Funds:**

|                            |              |
|----------------------------|--------------|
| Debt Service Fund Transfer | 123,016.03   |
| City Contribution          | 133,237.50   |
|                            | <hr/>        |
|                            | 256,253.53   |
|                            | <hr/>        |
|                            | 6,201,503.54 |

**Uses:****Refunding Escrow Deposits:**

|              |              |
|--------------|--------------|
| Cash Deposit | 6,047,364.58 |
|--------------|--------------|

**Other Fund Deposits:**

|                  |           |
|------------------|-----------|
| Accrued Interest | 20,901.46 |
|------------------|-----------|

**Delivery Date Expenses:**

|                        |            |
|------------------------|------------|
| Cost of Issuance       | 90,000.00  |
| Underwriter's Discount | 43,237.50  |
|                        | <hr/>      |
|                        | 133,237.50 |

|              |
|--------------|
| 6,201,503.54 |
|--------------|

**Note: Preliminary**

**CERTIFICATE FOR ORDINANCE**

**ORDINANCE 668**

**THE STATE OF TEXAS )**

**CITY OF PARKER )**

We, the undersigned officers of the City of Parker, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in **REGULAR MEETING ON THE 17th DAY OF MAY, 2011**, at the City Hall, and the roll was called of the duly constituted officers and members of said City Council, to-wit:

|                |                |
|----------------|----------------|
| Joe Cordina    | Mayor          |
| David Leamy    | Council Member |
| Allison Sumrow | Council Member |
| Eleanor Evans  | Council Member |
| Z Marshall     | Council Member |
| Scott Levine   | Council Member |

and all of said persons were present, except the following absentees: \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

**ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF PARKER TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$\$5,930,000; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; LEVYING AN ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO**

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be adopted and, after due discussion, said motion, carrying with it the adoption of the Ordinance, prevailed and carried by the following vote:

**AYES:** All members of the City Council shown present above voted "Aye," except as shown below:

**NOES:** \_\_\_\_\_

**ABSTAIN:** \_\_\_\_\_

2. That a true, full and correct copy of the aforesaid Ordinance adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Ordinance has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the adoption of the Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that the Ordinance would be introduced and considered for adoption at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Texas Government Code.

3. That the Mayor of the City (or the Mayor Pro-tem in the absence of the Mayor) has approved and hereby approves the aforesaid Ordinance; and that the Mayor (or the Mayor Pro-tem in the absence of the Mayor) and the City Secretary of the City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of the Ordinance for all purposes.

**SIGNED AND SEALED** the 17 day of May, 2011.

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City Secretary Carrie L. Smith

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Mayor Joe Cordina

(SEAL)

---

**ORDINANCE NO. 668**

**ORDINANCE AUTHORIZING THE ISSUANCE OF**

**CITY OF PARKER, TEXAS  
GENERAL OBLIGATION REFUNDING BONDS  
SERIES 2011**

**Adopted on May 17, 2011**

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**ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF PARKER TEXAS,  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011, IN THE  
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,930,000;  
ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE  
BONDS; LEVYING AN ANNUAL AD VALOREM TAX FOR THE PAYMENT  
OF SAID BONDS; PROVIDING AN EFFECTIVE DATE; AND ENACTING  
OTHER PROVISIONS RELATING THERETO**

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**THE STATE OF TEXAS )  
CITY OF PARKER )**

**WHEREAS**, there are presently the outstanding obligations of the City of Parker, Texas (the “Issuer”) described in Schedule I attached hereto, collectively, the “Refunded Obligations;”

**WHEREAS**, the Issuer now desires to refund all of the Refunded Obligations, each as defined below, to be refunded are herein referred to as the “Refunded Obligations;”

**WHEREAS**, Chapter 1207, Texas Government Code, authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, together with any other available funds or resources, directly with a paying agent for any of the Refunded Obligations or a trust company or commercial bank that does not act as a depository for the Issuer and is named in these proceedings, and such deposit, if made before the payment dates of the Refunded Obligations, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations;

**WHEREAS**, Chapter 1207, Texas Government Code, further authorizes the Issuer to enter into an escrow agreement with such paying agent for the Refunded Obligations or trust company or commercial bank with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such paying agent or trust company or commercial bank may agree;

**WHEREAS**, this City Council hereby finds and determines that it is a public purpose and in the best interests of the Issuer to refund the Refunded Obligations in order to achieve present value debt service savings of not less than \_\_\_\_% with such savings to be net of any Issuer contribution to the refunding, among other information and terms to be included in a pricing certificate (the “Pricing Certificate”) to be executed by the Pricing Officer (hereinafter designated), all in accordance with the provisions of Section 1207.007, Texas Government Code;

**WHEREAS**, all the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the bonds hereinafter authorized;

**WHEREAS**, the bonds hereafter authorized are being issued and delivered pursuant to said Chapter 1207, Texas Government Code; and

WHEREAS, the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and purpose of said meeting was given pursuant to Tex. Gov't Code Ann. ch. 551; Now, Therefore

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

**Section 1. RECITALS, AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS.**

(a) The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

(b) The bonds of the City Parker, Texas (the "Issuer") are hereby authorized to be issued and delivered in the aggregate principal amount hereinafter provided for the public purpose of providing funds to refund a portion of the Issuer's outstanding indebtedness and to pay the costs incurred in connection with the issuance of the Bonds.

(c) Each bond issued pursuant to this Ordinance shall be designated: "CITY OF PARKER, TEXAS, GENERAL OBLIGATION REFUNDING BOND, SERIES 2011," and initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, payable to the respective registered owners thereof (with the initial bonds being made payable to the initial purchaser as described in Section 10 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner"). The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

**Section 2. DELEGATION TO PRICING OFFICER.**

(a) As authorized by Section 1207.007, Texas Government Code, as amended, the Issuer's Investment Officer, is hereby authorized to act on behalf of the Issuer (hereinafter such officer is the "Pricing Officer") in all respects in selling and delivering the Bonds, and carrying out the other procedures specified in this Ordinance, including, determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Obligations and obtaining municipal bond insurance for all or any portion of the Bonds and providing for the terms and provisions thereof applicable to the Bonds, if such insurance is available and deemed by the Pricing Officer to be in the best interests of the Issuer in regard to producing the highest amount of debt service savings for the Issuer, all of which shall be specified in the Pricing Certificate; provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$5,930,000;
- (ii) the refunding must produce present value debt service savings of at least \_\_\_\_\_% with such savings to be net of any Issuer contribution to the refunding;
- (iii) the net effective interest rate (as defined in Section 1204.005, Texas Government Code, as amended) for the Bonds shall not exceed 4.50 %; and
- (iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to November 17, 2011.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a) hereof, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate.

### Section 3. CHARACTERISTICS OF THE BONDS.

(a) Registration. The Issuer shall keep or cause to be kept at the corporate trust office of the financial institution named as the Paying Agent/Registrar in the Pricing Certificate (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Transfer, Conversion and Exchange. Except as provided in Section 3(d) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly

shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Chapter 1201, Texas Government Code, as amended, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(c) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, 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 Issuer. 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 registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) shall be in the denominations, (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bond initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(e) Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 75 days written notice to the Paying

Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(f) Authentication. Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the closing date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Issuer, and has been registered by the Comptroller.

(g) Book-Entry Only System. The Bonds issued in exchange for the Bond initially issued to the initial purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (f) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC

Participant or any other person, other than a Registered Owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the Registered Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Registered Owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

(h) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representations letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate certificated Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(i) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representations letter of the Issuer to DTC.

(j) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the purchaser designated

in Section 10 or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the Issuer, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall cancel the initial Bond and deliver to the Depository Trust Company on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

(k) 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 shall state that said redemption may, at the option of the Issuer, be 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, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer 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 4. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance, and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond shall be completed with information set forth in the Pricing Certificate and shall be attached to the Pricing Certificate as an exhibit thereto.

(a) [Form of Bond]

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

UNITED STATES OF AMERICA  
 STATE OF TEXAS  
 CITY OF PARKER, TEXAS  
 GENERAL OBLIGATION REFUNDING BOND  
 SERIES 2011

PRINCIPAL  
 AMOUNT  
 \$ \_\_\_\_\_

| INTEREST RATE | DATE OF BONDS | MATURITY DATE | CUSIP NO. |
|---------------|---------------|---------------|-----------|
| _____         | _____         | _____         | _____     |

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the CITY OF PARKER, in COLLIN COUNTY, TEXAS (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_, \_\_\_\_\_ at the Interest Rate per annum specified above. Interest is payable on \_\_\_\_\_, \_\_\_\_\_ and semiannually on each \_\_\_\_\_ and \_\_\_\_\_ thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Bond (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the \_\_\_\_\_ day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying

Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 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 Issuer. 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 business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for payment or redemption at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for any payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust 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 that is not such a Saturday, Sunday, legal holiday or day on which 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.

THIS BOND is one of a series of Bonds dated \_\_\_\_\_, \_\_\_\_\_, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$\_\_\_\_\_ for the public purposes of refunding certain outstanding obligations of the Issuer, and to pay the costs incurred in connection with the issuance of the Bonds.

ON \_\_\_\_\_, or on any date thereafter, the Bonds of this series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

THE BONDS scheduled to mature on \_\_\_\_\_ in the years \_\_\_\_\_ and \_\_\_\_\_ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available

for such purpose in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts, set forth in the following schedule:

| Bonds Maturing |                             | Bonds Maturing |                             | Bonds Maturing |                             |
|----------------|-----------------------------|----------------|-----------------------------|----------------|-----------------------------|
| <u>Year</u>    | <u>Principal<br/>Amount</u> | <u>Year</u>    | <u>Principal<br/>Amount</u> | <u>Year</u>    | <u>Principal<br/>Amount</u> |
|                |                             |                |                             |                |                             |

<sup>(1)</sup> Final maturity of Bond.

The principal amount of Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the District, by the principal amount of any Term Bonds of the same maturity which, at least 45 days prior to a mandatory redemption date (1) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or

assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law.

THE ISSUER HAS RESERVED THE RIGHT to amend the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for

inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in the absence of the Mayor, by the Mayor Pro-tem) and countersigned with the manual or facsimile signature of the City Secretary of said Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(signature)

City Secretary Carrie L. Smith

(signature)

Mayor Joe Cordina

(SEAL)

[FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE]

**PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE**

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the  
Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond  
Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or  
replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series  
that originally was approved by the Attorney General of the State of Texas and registered by the  
Comptroller of Public Accounts of the State of Texas.

Dated: \_\_\_\_\_.

\_\_\_\_\_, Texas  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned registered owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

---

---

(Assignee's Social Security or  
Tax Payer Identification Number)

---

(Print or type Assignee's Name and  
Address Including Zip Code)

and hereby irrevocably constitutes and appoints

---

attorney, to transfer the registration of this Bond on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated \_\_\_\_\_

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NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

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NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

[FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC  
ACCOUNTS]

COMPTROLLER'S REGISTRATION CERTIFICATE: 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 that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this \_\_\_\_\_.

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Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(b) [Initial Bond Insertions]

(i) The initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. \_\_\_\_\_" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"The CITY OF PARKER TEXAS, in COLLIN COUNTY, TEXAS (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on \_\_\_\_\_ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

| Years | Principal Amount | Interest Rate |
|-------|------------------|---------------|
|-------|------------------|---------------|

(Information from Section 2 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_, \_\_\_\_ at the respective Interest Rate per annum specified above. Interest is payable on \_\_\_\_\_, \_\_\_, and semiannually on each \_\_\_\_\_ and \_\_\_\_\_ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

**Section 5. INTEREST AND SINKING FUND.**

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Bonds. All amounts received from the sale of the Bonds as accrued interest shall be deposited upon receipt to the Interest and

Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Bonds are outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Bonds as such principal matures (but never less than 2% of the original amount of said Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Bonds are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. If lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Article 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the Issuer under this Section and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

#### Section 6. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall

no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term “Defeasance Securities” means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America., (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (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 the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

## Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new Bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement Bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this, in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Sec. 1206.022, Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor of the Issuer is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Bonds is subject to the initial purchaser being furnished with the final, approving opinion of Hunton & Williams, LLP, bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the initial purchaser. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Bonds is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor, and the Mayor is hereby authorized to execute such engagement letter.

Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.

(a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Bonds as Obligation described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the gross income of the holder of the Bonds for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed or refinanced therewith (the "Projects") are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the

projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a “private business use” that is “related” and not “disproportionate,” within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Bonds being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being federally guaranteed within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Bonds, other than investment property acquired with –

(A) (A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of an advance refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the bonds are issued, and in the case of a current refunding bond, for a period of 90 days or less,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the “Excess Earnings,” within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (a)(8), a “Rebate Fund” is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the Bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Use of Proceeds. For purposes of the foregoing covenants (a)(1) and (a)(2), the Issuer understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor or Pricing Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) Disposition of Project. The Issuer covenants that any project financed by the Refunded Obligations will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains a legal opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Designation as Qualified Tax-Exempt Obligations. The Issuer hereby designates the Bonds as “qualified tax-exempt obligations” as defined in section 265(b)(3) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Bonds are issued, the Issuer (including any subordinate entities, but excluding for purposes hereof that certain Issuer Note as defined in and issued pursuant to that certain Tax Exempt Loan Agreement by and among the City of Parker, Texas Cultural Education Facilities Finance Corporation, the Fort Worth Museum of Science and History, and Compass Bank dated as of April 1, 2011, which Issuer Note was issued in the original aggregate principal amount of \$10,000,000) has not designated nor will designate obligations that when aggregated with the Bonds, will result in more than \$10,000,000 of

“qualified tax-exempt obligations” being issued; (b) that the Issuer reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Bonds are issued, by the Issuer (or any subordinate entities) will not exceed \$10,000,000; and, (c) that the Issuer will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, hereof, in order that the Bonds will not be considered “private activity bonds” within the meaning of section 141 of the Code.

**Section 10. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.**

(a) The Bonds may be sold and delivered subject to the provisions of Section 1 and Section 3 and pursuant to the terms and provisions of a bond purchase agreement (the “Purchase Agreement”) which the Pricing Officer is hereby authorized to execute and deliver and in which the purchaser or purchasers (the “Underwriters”) of the Bonds shall be designated. The Bonds shall initially be registered in the name of the purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the Issuer, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Underwriters in the marketing of the Bonds.

(c) Alternatively, the Pricing Officer is hereby authorized to sell the Bonds at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions, prepared and distributed in connection with the sale of the Bonds. Said Official Notice of Sale and Bidding Instructions, and any addenda, supplement, or amendment thereto shall be in such form as may be approved by the Pricing Officer, and their use in the offer and sale of the Bonds is hereby approved. The Pricing Officer is further authorized to execute and deliver a Purchase Letter from the Purchaser in connection with the sale of the Bonds.

(d) In the event the Pricing Officer determines that it is in the Issuer’s best interest to do so, the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to obtain from a municipal bond insurance company so designated in the Pricing Certificate (the “Insurer”) a municipal bond insurance policy (the “Insurance Policy”) in support of the Bonds. To that end, should the Pricing Officer exercise such authority and commit the Issuer to obtain a municipal bond insurance policy, for so long as the Insurance Policy is in effect, the requirements of the Insurer relating to the issuance of the Insurance Policy as set forth in the Pricing Certificate are incorporated by reference into this Ordinance and made a part hereof for all purposes, notwithstanding any other provision of this Ordinance to the contrary. The Pricing Officer shall have the authority to execute any documents to effect the issuance of the Insurance Policy by the Insurer.

(e) The Mayor and Mayor Pro Tem, the City Secretary and each Pricing Officer shall be and they 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 under the corporate seal and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein

mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Pricing Certificate, the Bonds, the sale of the Bonds and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

## Section 11. COMPLIANCE WITH RULE 15c2-12.

(a) Annual Reports. (i) The Issuer shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after fiscal year 2011, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by Section 10 of this Ordinance, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit A hereto, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the Issuer provides for an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide unaudited financial statements by the required time and will provide audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available. Such information shall be transmitted electronically to the MSRB, in such format and accompanied by such identifying information as prescribed by the MSRB.

(ii) If the Issuer 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 Issuer 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 (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

(b) Material Event Notices. The Issuer shall notify the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, of any of the following events with respect to the Bonds,:.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
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 security, 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;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer, or the sale of all or substantially all the assets of the Issuer, other than in the ordinary course of business, the entry into 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 Paying Agent/Registrar or the change of the name of the Paying Agent/Registrar, if material.

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

(c) Limitations, Disclaimers, and Amendments. (i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by Subsection (b) hereof of any Bond calls and defeasance that cause the Issuer to no longer be such an “obligated person”.

(ii) The provisions of this Section are for the sole benefit of the registered owners 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 Issuer 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 Issuer’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer 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.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER 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 ISSUER, 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.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise 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 Issuer under federal and state securities laws.

(v) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, 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 since such offering as well as such changed circumstances and (2) either (a) the registered owners 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 Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(vi) If the Bonds are not sold to a broker, dealer or municipal securities dealer, the Issuer shall not be required to comply with this Section 11.

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

“MSRB” means the Municipal Securities Rulemaking Board or any successor to its functions under the Rule.

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

“SEC” means the United States Securities and Exchange Commission.

Section 12. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The Issuer may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this

Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of nationally recognized bond counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;
- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of mailing of such notice the Issuer shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of such consent by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

(i) For the purposes of establishing ownership of the Bonds, the Issuer shall rely solely upon the registration of the ownership of such Bonds on the registration books kept by the Paying Agent/Registrar.

#### Section 13. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS.

In furtherance of authority granted by Section 1207.007(b), Texas Government Code, the Mayor or the Pricing Officer are further authorized to enter into and execute on behalf of the Issuer with the escrow agent named therein, an escrow or similar agreement, in the form and substance as shall be approved by the Pricing Officer, which agreement will provide for the payment in full of the Refunded Obligations. In addition, the Mayor or the Pricing Officer is authorized to purchase such securities, to execute such subscriptions for the purchase of the Escrowed Securities (as defined in the agreement), if any, and to authorize such contributions for the escrow fund as provided in the agreement..

#### Section 14. REDEMPTION OF REFUNDED OBLIGATIONS.

(a) Subject to execution and delivery of the Purchase Agreement with the Purchaser, the Issuer hereby directs that the Refunded Obligations be called for redemption on the dates and at such prices as set forth in the Pricing Certificate. The Pricing Officer is hereby authorized and directed to issue or cause to be issued Notice of Redemption of the Refunded Obligations in substantially the form set forth in Exhibit B attached hereto, completed with information from the Pricing Certificate, to the paying agents for the Refunded Obligations.

(b) In addition, the paying agents for the Refunded Obligations are hereby directed to provide the appropriate notices of redemption and defeasance as specified by the ordinances authorizing the issuance of Refunded Obligations and are hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on their redemption dates. The Refunded Obligations shall be presented for redemption at the paying agents therefor, and shall not bear interest after the date fixed for redemption.

(c) If the redemption of the Refunded Obligations results in the partial refunding of any maturity of the Refunded Obligations, the Pricing Officer shall direct the paying agent/registrar for the Refunded Obligations to designate at random and by lot which of the Refunded Obligations will be payable from and secured solely from ad valorem taxes of the Issuer pursuant to the ordinance of the Issuer authorizing the issuance of such Refunded Obligations (the "Refunded Bond Ordinance"). The paying agent/registrar shall notify by first-class mail all registered owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and investments maintained

by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such registered owner that have been refunded and are payable solely from cash and investments in the Escrow Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such registered owner, if any, have not been refunded and are payable and secured solely from ad valorem taxes of the Issuer described in the Refunded Obligation Ordinance, (iii) the registered owner is required to submit his or her Refunded Obligations to the paying agent/registrar, for the purposes of re-registering such registered owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent pursuant to the Escrow Agreement approved in Section 13 of this Ordinance.

**Section 15. APPROPRIATION.** To pay the debt service coming due on the Bonds, if any (as determined by the Pricing Certificate) prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

**Section 16. SEVERABILITY.** If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

**Section 17. EFFECTIVE DATE.** In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

FINALLY PASSED, APPROVED AND EFFECTIVE this 17th day of November, 2011.

---

Mayor Joe Cordina, City of Parker, Texas

ATTEST:

[CITY SEAL]

---

City Secretary Carrie L. Smith  
City of Parker, Texas

## SCHEDULE I

### Refunded Obligations

All City of Parker, Texas General Obligation Bonds, Series 2008 outstanding in the aggregate principal amount of \$1,350,000

All City of Parker, Texas Combination Tax and Water and Sewer System Revenue Certificates of Obligation, Series 2008 outstanding in the aggregate principal amount of \$4,580,000

**EXHIBIT A**

**DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Section 12 of this Ordinance.

**Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the Issuer to be provided annually in accordance with such Section are as specified (and included in the Appendices of the Official Statement referred to) below:

The quantitative financial information and operating data pertaining to the Issuer of the general type included Tables numbered \_\_\_\_\_ and in Appendix \_\_ of the Official Statement.

The financial statements of the Issuer that will be provided will be unaudited, unless an audit is performed, in which event the audited financial statements will be made available.

**Accounting Principles**

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.

## EXHIBIT B

### NOTICE OF REDEMPTION OF GENERAL OBLIGATION BONDS

NOTICE IS HEREBY GIVEN that the City of Parker, Texas has called for redemption the outstanding Bonds of the City described as follows (the "Refunded Obligations"):

**City of Parker, Texas General Obligation Bonds, Series 2008**, dated September 16, 2008, in the aggregate principal amount of \$1,350,000 (the "Refunded Obligations")

THE REFUNDED BONDS shall be redeemed on \_\_\_\_\_(the "Redemption Date") at a redemption price (the "Redemption Price") equal to the principal amount of the Refunded Obligations plus accrued and unpaid interest thereon to the Redemption Date. Provided on the Redemption Date an amount equal to the Redemption Price is on deposit with Bank of America N.A. as Paying Agent/Registrar for the Refunded Obligations, available for payment of the Redemption Price, the Refunded Obligations shall cease to accrue and be payable on such Redemption Date.

UNDER THE PROVISIONS of Section 3406 of the Internal Revenue Code of 1986, as amended paying agents making payments of interest and principal on municipal securities may be obligated to withhold a tax from remittance to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Registered holders who wish to avoid the imposition of the tax should submit certified taxpayer identification numbers (via form W-9) when presenting the Series Refunded Obligations for payment.

THIS NOTICE is issued and given pursuant to the redemption provisions in the proceedings authorizing the issuance of the aforementioned Refunded Obligations and in accordance with the recitals and provisions of said Series Refunded Obligations.

NOTICE IS FURTHER GIVEN that the Refunded Obligations should be submitted to the following address:

CITY OF PARKER, TEXAS  
City Administrator Dena Daniel  
5700 E. Parker Road  
Parker, TX 75002

## NOTICE OF REDEMPTION OF CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City of Parker, Texas has called for redemption the outstanding Bonds of the City described as follows (the "Refunded Obligations"):

**City of Parker, Texas Combination Tax and Water and Sewer System Revenue Certificates of Obligation**, dated September 30, 2008, in the aggregate principal amount of \$4,580,000 (the "Refunded Obligations")

THE REFUNDED BONDS shall be redeemed on \_\_\_\_\_ (the "Redemption Date") at a redemption price (the "Redemption Price") equal to the principal amount of the Refunded Obligations plus accrued and unpaid interest thereon to the Redemption Date. Provided on the Redemption Date an amount equal to the Redemption Price is on deposit with Bank of America N.A. as Paying Agent/Registrar for the Refunded Obligations, available for payment of the Redemption Price, the Refunded Obligations shall cease to accrue and be payable on such Redemption Date.

UNDER THE PROVISIONS of Section 3406 of the Internal Revenue Code of 1986, as amended paying agents making payments of interest and principal on municipal securities may be obligated to withhold a tax from remittance to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Registered holders who wish to avoid the imposition of the tax should submit certified taxpayer identification numbers (via form W-9) when presenting the Series Refunded Obligations for payment.

THIS NOTICE is issued and given pursuant to the redemption provisions in the proceedings authorizing the issuance of the aforementioned Refunded Obligations and in accordance with the recitals and provisions of said Series Refunded Obligations.

NOTICE IS FURTHER GIVEN that the Refunded Obligations should be submitted to the following address:

CITY OF PARKER, TEXAS  
City Administrator Dena Daniel  
5700 E. Parker Road  
Parker, TX 75002



## Council Agenda Item

|                                     |  |                           |  |
|-------------------------------------|--|---------------------------|--|
| Budget Account Code:                | N/A  | Meeting Date:             | May 17, 2011                                 |
| Budgeted Amount:                    |  | Department/<br>Requestor: | <b>Local Government Code</b><br>Sec. 22.037. |
| Fund Balance-before<br>expenditure: |  | Prepared by:              | Carrie Smith <i>DS</i>                       |
| Estimated Cost:                     |  | Date Prepared:            | May 10, 2011                                 |
| Exhibits:                           | 1) Summary of the Law regarding the position of Mayor Pro-tem. |                           |  |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON APPOINTING A MAYOR PRO-TEM.

### SUMMARY

#### 1) Local Government Code

Sec. 22.037. MAYOR AS PRESIDING OFFICER; PRESIDENT PRO TEMPORE.

(a) The mayor shall preside at all meetings of the governing body of the municipality and, except in elections, may vote only if there is a tie.

(b) At each new governing body's first meeting or as soon as practicable, the governing body shall elect one alderman to serve as president pro tempore for a term of one year.

(c) If the mayor fails, is unable, or refuses to act, the president pro tempore shall perform the mayor's duties and is entitled to receive the fees and compensation prescribed for the mayor.

(d) If the mayor and the president pro tempore are absent, any alderman may be appointed to preside at the meeting.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

### POSSIBLE ACTION

- Move to appoint \_\_\_\_\_ as Mayor Pro-tem

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| Inter – Office Use  |                     |       |         |
|---------------------|---------------------|-------|---------|
| Approved by:        |                     |       |         |
| Department Head:    | <i>Jeff Flory</i>   | Date: | 5-13-11 |
| City Attorney:      |                     | Date: |         |
| City Administrator: | <i>Leona Lammel</i> | Date: | 5-13-11 |



## Council Agenda Item

|                                     |   |                           |              |
|-------------------------------------|---|---------------------------|--------------|
| Budget Account Code:                | N/A   | Meeting Date:             | May 17, 2011 |
| Budgeted Amount:                    |   | Department/<br>Requestor: | Required     |
| Fund Balance-before<br>expenditure: |   | Prepared by:              | Johnna Boyd  |
| Estimated Cost:                     |   | Date Prepared:            |              |
| Exhibits:                           | 1) Proposed Resolution 2011-331<br>2) Current Resolution 2008-238 |                           |              |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION RESOLUTION 2011-331  
DESIGNATING SIGNATORIES FOR BANKING TRANSACTIONS WITH AMERICAN  
NATIONAL BANK.

### SUMMARY

Current Signers:

Joe Cordina, Mayor

Jim Threadgill, Councilmember

Z Marshall, Councilmember

Dena Daniel, City Administrator

Jeff Flanigan, Public Works Director

### POSSIBLE ACTION

- Move to approve Resolution 2011-331; subject to appointing \_\_\_\_\_ as authorized signer on all American National Bank Accounts.

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| Inter - Office Use  |                      |       |         |
|---------------------|----------------------|-------|---------|
| <b>Approved by:</b> |                      |       |         |
| Department Head:    | <i>Jeff Flanigan</i> | Date: | 5-13-11 |
| City Attorney:      |                      | Date: |         |
| City Administrator: | <i>Alvaro Land</i>   | Date: | 5-13-11 |

**RESOLUTION NO. 2011-331**  
*(ANB Bank Signature Authorization)*

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS AUTHORIZING OFFICIAL BANKING SIGNATURES.**

**WHEREAS**, accounts have been established in the name of the City of Parker with the American National Bank of Texas, wherein may be deposited any of the funds of the City of Parker, whether represented by cash, checks, note, or other evidences of debt, and from which deposit withdrawals may be made in the name of the City of Parker by duly authorized officials of the city;

**NOW THEREFORE BE IT RESOLVED** BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AS FOLLOWS:

**SECTION 1. Powers Granted**

The City Council of the City of Parker grants the authorized officials and persons to have such powers more particularly described on the attached Exhibit "A" and approves the Resolution set forth in Exhibit "A".

**SECTION 2. Appointment of Authorized Officials**

The following persons are the officials of the City of Parker and those authorized to sign in the foregoing resolution as designated, and the signatures hereon are the true signatures of such officials and persons.

|                                  | TITLE                        |
|----------------------------------|------------------------------|
| Joe Cordina,<br>_____,<br>_____, | Mayor                        |
| Dena Daniel,<br>Jeff Flanigan,   | Council Member               |
|                                  | Council Member               |
|                                  | City Administrator           |
|                                  | Assistant City Administrator |

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this the 17<sup>th</sup> day of May, 2011.

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Joe Cordina, Mayor

ATTEST:

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Carrie L. Smith, City Secretary

APPROVED AS TO FORM:

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James E. Shepherd, City Attorney

AMERICAN NATIONAL BANK  
720 S. Greenville Ave.  
Allen, TX 75002

CORPORATE AUTHORIZATION RESOLUTION

By:

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, Carrie L. Smith, certify that I am Secretary (clerk) of the above named corporation organized under the laws of State of Texas, Federal Employer I.D. Number 75-1382954, engaged in business under the trade name of \_\_\_\_\_, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on May 17, 2011 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

| Name and Title or Position                            | Signature | Facsimile Signature<br>(if used) |
|---|-----------|----------------------------------|
| A. <u>Joe Cordina, Mayor</u>                          | <u>X</u>  | <u>X</u>                         |
| B. _____, Councilmember                               | <u>X</u>  | <u>X</u>                         |
| C. _____, Councilmember                               | <u>X</u>  | <u>X</u>                         |
| D. <u>Dena Daniel, City Administrator</u>             | <u>X</u>  | <u>X</u>                         |
| E. <u>Jeff Flanigan, Assistant City Administrator</u> | <u>X</u>  | <u>X</u>                         |
| F. _____  | <u>X</u>  | <u>X</u>                         |

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

| Indicate A, B, C, D, E, and/or F | Description of Power   | Indicate number of signatures required |
|----------------------------------|--|--|
| <u>A, B, C, D, E</u>             | (1) Exercise all of the powers listed in this resolution.  | <u>2</u>                               |
| <u>A, B, C, D, E</u>             | (2) Open any deposit or share account(s) in the name of the Corporation.   | <u>2</u>                               |
| <u>A, B, C, D, E</u>             | (3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.   | <u>2</u>                               |
| <u>A, B, C, D, E</u>             | (4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.  | <u>2</u>                               |
| <u>A, B, C, D, E</u>             | (5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment. | <u>2</u>                               |
| <u>A, B, C, D, E</u>             | (6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.  | <u>2</u>                               |
|                                  | (7) Other _____  | <u>2</u>                               |

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated May 20, 2008. If not completed, all resolutions remain in effect.

CERTIFICATION OF AUTHORITY

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation.

In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on May 17, 2011 (date).

Carrie L. Smith

Secretary

Attest by One Other Officer

(page 1 of 2)

## RESOLUTIONS

The Corporation named on this resolution resolves that,

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as agents of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

---

### FOR FINANCIAL INSTITUTION USE ONLY

Acknowledged and received on \_\_\_\_\_ (date) by \_\_\_\_\_ (initials)  This resolution is superseded by resolution dated \_\_\_\_\_.

Comments:

**RESOLUTION 2008-238**  
**(ANB Bank Signature Authorization)**

**WHEREAS**, accounts have been established in the name of the City of Parker with the American National Bank of Texas, wherein may be deposited any of the funds of the City of Parker, whether represented by cash, checks, note or other evidences of debt, and from which deposit withdrawals may be made in the name of the City of Parker by duly authorized officials of the city;

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council grants the authorized officials and persons to have such powers more particularly described on the attached Exhibit "A" and approves the Resolution set forth in Exhibit "A."

The following persons are the officials of the City of Parker and those authorized to sign in the foregoing resolution as designated, and that the signatures hereon are the true signatures of such officials and persons.

Joe Cordina, Mayor

Jim Threadgill, Mayor Pro-tem

Z Marshall, Councilmember

Dena Daniel, City Administrator

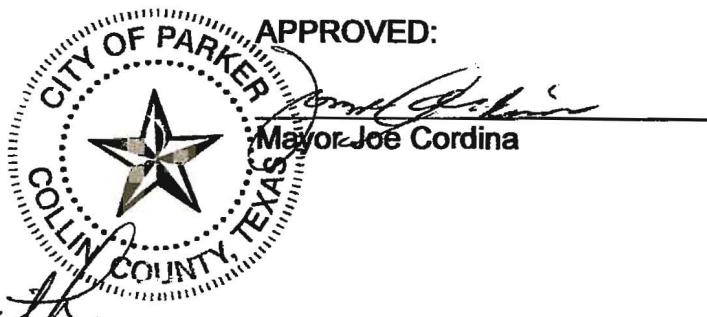
Jeff Flanigan, Public Works Director

**DULY RESOLVED** by the City Council of the City of Parker, Texas on this 9th day of September, 2008.

ATTEST:

  
\_\_\_\_\_  
Carrie L. Smith

City Secretary Carrie L. Smith



Attachment: Exhibit "A" - American National Bank Resolution

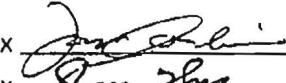
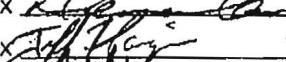
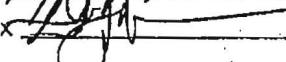
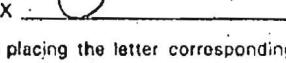
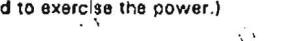
2008-238

Deborah Cunningham  
SEP 24 2008  
700021918, 700021900, 700021884, 700021520, 700021516  
700015597, 701031397, 701019347, 700003999  
701004344The American National Bank **CORPORATE AUTHORIZATION RESOLUTION**Allen Banking Center  
720 S Greenville  
Allen, TX 75002By: City of Parker  
5700 E Parker Rd  
Allen TX 75002-6754

Referred to in this document as "Financial Institution" Referred to in this document as "Corporation"

I, Carrie L Smith, certify that I am Secretary (clerk) of the above named corporation organized under the laws of Texas, Federal Employer I.D. Number 75-1382954, engaged in business under the trade name of City of Parker, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on 09/05/08 919/08 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

| Name and Title or Position                    | Signature   | Facsimile Signature (if used) |
|---|---|-------------------------------|
| A. Joe Cordina <u>Mayor</u>                   | X   | X                             |
| B. Jim Threadgill <u>Mayor Pro-tem</u>        | X   | X                             |
| C. Dena Daniel <u>City Administrator</u>      | X   | X                             |
| D. Jeff Flanigan <u>Public Works Director</u> | X   | X                             |
| E. Z Marshall <u>Council member</u>           | X   | X                             |
| F. _____                                      | X  | X                             |

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F Description of Power

Indicate number of signatures required

ABCDE (1) Exercise all of the powers listed in this resolution. 2

\_\_\_\_\_ (2) Open any deposit or share account(s) in the name of the Corporation. \_\_\_\_\_

\_\_\_\_\_ (3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution. \_\_\_\_\_

\_\_\_\_\_ (4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness. \_\_\_\_\_

\_\_\_\_\_ (5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment. \_\_\_\_\_

\_\_\_\_\_ (6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution. \_\_\_\_\_

\_\_\_\_\_ (7) Other \_\_\_\_\_

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

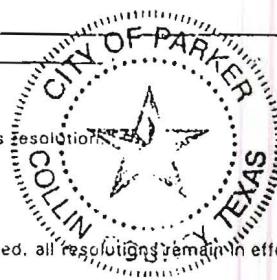
EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated 5/20/2008. If not completed, all resolutions remain in effect.

## CERTIFICATION OF AUTHORITY

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

 If checked, the Corporation is a non-profit corporation.In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on September 9, 2008 (date).

Attest by One Other Officer





## Council Agenda Item

|                                     |  |                           |              |
|-------------------------------------|--|---------------------------|--------------|
| Budget Account Code:                | N/A  | Meeting Date:             | May 17, 2011 |
| Budgeted Amount:                    |  | Department/<br>Requestor: | Required     |
| Fund Balance-before<br>expenditure: |  | Prepared by:              | Carrie Smith |
| Estimated Cost:                     |  | Date Prepared:            | May 12, 2011 |
| Exhibits:                           | 1) Proposed Resolution 2011-332<br>2) Current Resolution 2010-312, Investment Committee<br>3) Current Resolution 2010-311, Investment Policy |                           |              |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011-332 APPOINTING MEMBERS OF THE INVESTMENT COMMITTEE.

### SUMMARY

#### Current Members

JOE CORDINA,  
DENA DANIEL,  
Z MARSHALL,  
JIM THREADGILL,

Title MAYOR  
Title CITY ADMINISTRATOR  
Title CHIEF INVESTMENT OFFICER  
Title MEMBER

### POSSIBLE ACTION

- Move to approve Resolution 2011-332; subject to appointing Councilmember \_\_\_\_\_ to the investment committee

| Inter - Office Use  |                     |       |                |
|---------------------|---------------------|-------|----------------|
| Approved by:        |                     |       |                |
| Department Head:    | <i>JH Day</i>       | Date: | <i>5-13-11</i> |
| City Attorney:      |                     | Date: |                |
| City Administrator: | <i>Carrie Smith</i> | Date: | <i>5-12-11</i> |

**RESOLUTION NO. 2011-332**  
*(Chief Investment Officer and Committee)*

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER,  
COLLIN COUNTY, TEXAS APPOINTING A CHIEF INVESTMENT  
OFFICER AND MEMBERS TO SERVE ON THE INVESTMENT  
COMMITTEE.**

**WHEREAS**, the laws of the state of Texas require a municipality to appoint a chief investment officer, and approves the use of an investment committee to review the investment policies of the municipality, all in accordance with Chapter 2256 of the Texas Government Code;

**NOW THEREFORE BE IT RESOLVED** BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AS FOLLOWS:

**SECTION 1. Appointment of Chief Investment Officer**

Z MARSHALL is hereby appointed to serve as the Chief Investment Officer for the City of Parker in accordance with Resolution 2010-311.

**SECTION 2. Appointment of Committee Members**

The following are hereby appointed to serve on the Investment Committee:

|              | TITLE                    |
|--------------|--------------------------|
| Joe Cordina, | Mayor                    |
| Dena Daniel, | City Administrator       |
| Z Marshall,  | Chief Investment Officer |
| _____,       | Council Member           |

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this the 17th day of May, 2011.

**CITY OF PARKER:**

---

Joe Cordina, Mayor

**ATTEST:**

---

Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

---

James E. Shepherd, City Attorney

**RESOLUTION NO. 2010-312**  
(*Chief Investment Officer and Committee*)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER,  
COLLIN COUNTY, TEXAS APPOINTING A CHIEF INVESTMENT  
OFFICER AND MEMBERS TO SERVE ON THE INVESTMENT  
COMMITTEE.**

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AS FOLLOWS:

**SECTION 1. Appointment of Chief Investment Officer**

Z MARSHALL is hereby appointed to serve as the Chief Investment Officer for the City of Parker in accordance with Resolution 2010-311.

**SECTION 2. Appointment of Committee Members**

The following are hereby appointed to serve on the Investment Committee:

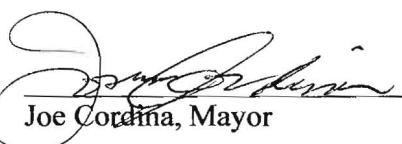
JOE CORDINA,  
DENA DANIEL,  
Z MARSHALL,  
JIM THREADGILL,

Title MAYOR  
Title CITY ADMINISTRATOR  
Title CHIEF INVESTMENT OFFICER  
Title MEMBER

**DULY PASSED AND APPROVED by the City Council of the City of Parker, Collin County, Texas on this the 21st day of September, 2010.**

**APPROVED:**



  
Joe Cordina, Mayor

**ATTESTED:**

  
Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

  
James E. Shepherd, City Attorney

**RESOLUTION NO. 2010-311**  
*(2010-2011 Investment Policy)*

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, DECLARING THAT THE CITY COUNCIL HAS COMPLETED ITS REVIEW AND REVISION OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT EXHIBIT "A" RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; REVISING AND RESTATING THE CITY OF PARKER INVESTMENT POLICY OF 2006-2007 AND, AS REVISED, ADOPTING IT AS THE CITY OF PARKER 2010-2011 INVESTMENT POLICY ATTACHED HERETO AS EXHIBIT "A"; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, in accordance with the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE, the City Council of the City of Parker, Texas by resolution adopted an investment policy; and

**WHEREAS**, Section 2256.005, TEX. GOV'T CODE requires the City Council to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS AS FOLLOWS:**

**SECTION 1.** The City Council of the City of Parker has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit "A" hereto.

**SECTION 2.** The City of Parker 2010-2011 Investment Policy attached hereto as Exhibit "A" be and the same is hereby adopted and shall govern the investment policies and investment strategies for the City, and shall define the authority of the Investment Officer and any additional Investment Committee members, collectively referred to as "Investment Officials," from and after the effective date of this resolution.

**SECTION 3.** All provisions of the resolutions of the City of Parker, Texas, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

**SECTION 4.** Should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution which shall remain in full force and effect.

**SECTION 5.** This resolution shall become effective immediately from and after its passage.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Parker, Texas, on this the 21st day of September, 2010.

**APPROVED:**

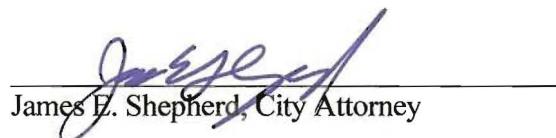


  
Joe Cordina, Mayor

**ATTESTED:**

  
Carrie Smith, City Secretary

**APPROVED AS TO FORM:**

  
James E. Shepherd, City Attorney

**City of Parker**  
**2010-2011 Investment Policy**

**ARTICLE I**  
**PURPOSE AND NEED FOR POLICY**

Chapter 2256 of the Government Code, as amended from time to time by the Texas State Legislature (“Public Funds Investment Act”) requires each city to adopt rules governing its investment practices and to define the authority of the Investment Officer and any additional Investment Committee members. The 2010-2011 Investment Policy addresses the methods, procedures and practices which must be exercised to ensure effective and prudent fiscal management of the City of Parker, Collin County, Texas funds.

**ARTICLE II**  
**SCOPE**

The Investment Policy applies to the investment and management of all funds under direct authority of the City of Parker, Collin County, Texas.

A. These funds are accounted for in the City’s Annual Financial Report and include the following:

- (1) the General Fund;
- (2) Special Revenue Funds;
- (3) Capital Project Funds;
- (4) Enterprise Funds;
- (5) Trust and Agency Funds, to the extent not required by law or existing contract to be kept segregated and managed separately;
- (6) Debt Service Funds, including reserves and sinking funds to the extent not required by law or existing contract to be kept segregated and managed separately; and
- (7) Any new fund created by the City unless specifically exempted from this policy by the City or by law.

This investment policy shall apply to all transactions involving the financial assets and related activity of all the foregoing funds.

B. This policy excludes:

- (1) Employee Retirement and Pension Funds administered or sponsored by the City.
- (2) Defeased bond funds held in trust escrow accounts.

### C. Review and Amendment

The City Council is required by state statute and by this investment policy to review this investment policy and investment strategies not less than annually and to adopt a resolution or an ordinance stating the review has been completed and recording any changes made to either the policy or strategy statements.

## **ARTICLE III PRUDENCE**

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an Investment Official has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (1) the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with the written investment policy of the City.

All participants in the investment program will seek to act responsibly as custodians of the public trust. Investment Officials will avoid any transaction that might impair public confidence in the City's ability to govern effectively. Investment Officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism which is worthy of the public trust. Nevertheless, the City recognizes that in a marketable, diversified portfolio, occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment rate of return.

Investment Officials, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for market price changes, provided that these deviations from expectations are reported immediately to the Mayor and the City Council of the City of Parker, and that appropriate action is taken by the Investment Officer to control adverse developments.

## **ARTICLE IV OBJECTIVES**

### **A. Preservation and Safety of Principal**

Preservation of capital is the foremost objective of the City. Each investment transaction shall seek first to ensure that capital losses are avoided, whether the loss occurs from the default of a security or from erosion of market value.

### **B. Liquidity**

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which can be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

### **C. Yield**

The investment portfolio of the City shall be designed to meet or exceed the average rate of return on 91-day U.S. treasury bills throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio. Legal constraints on debt proceeds that are not exempt from federal arbitrage regulations are limited to the arbitrage yield of the debt obligation. Investment Officials will seek to maximize the yield of these funds in the same manner as all other City funds. However, if the yield achieved by the City is higher than the arbitrage yield, positive arbitrage income will be averaged over a five year period, netted against any negative arbitrage income and the net amount shall be rebated to the federal government as required by federal regulations.

## **ARTICLE V RESPONSIBILITY AND CONTROL**

### **A. Delegation - Investment Officer; Investment Committee**

Management responsibility to establish written procedures for the operation of the investment program consistent with this investment policy has been assigned to the Investment Officer, who shall be appointed by the City Council. The appointment is for a term of one year, and until a successor is qualified and appointed by the Council. Appointments are to be made for the Investment Officer, and the Investment Committee within June of each year, or as soon thereafter as possible. The review of this investment policy shall also take place in June of each year, as noted in Article IIC, above. Such procedures shall include explicit delegation of authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting. The Investment Officer shall be the chair of the Investment Committee and may delegate the daily investment responsibilities to either an internal Investment Official or an external investment advisor in combination with an internal Investment Official. The Investment Officer and/or his or her

representative(s) will be limited by conformance with all federal regulations, ordinances, and the statements of investment strategy. The Investment Officer and members of the Investment Committee are collectively referred to as "Investment Officials." The Mayor and the City Administrator are members of the Investment Committee.

**B. Subordinates**

No person shall engage in an investment transaction except as provided under the terms of this policy, the procedures established by the City Council and the explicit authorization by the Investment Officer, with approval of the City Council, to withdraw, transfer, deposit and invest the City's funds. The City Council, by resolution, has authorized and appointed these individuals. The Investment Officer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate Investment Officials, if any are appointed by the City Council.

**C. Internal Controls**

Internal controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by Investment Officials. Controls deemed most important would include: control of collusion, separation of duties, third-party custodial safekeeping, avoidance of bearer-form securities, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized Investment Officials, and documentation of and rationale for investment transactions.

In conjunction with the annual independent audit, a compliance audit of management controls on investments and adherence to the Investment Policy and the Investment Strategy shall be performed by the City's independent auditor.

**D. Ethics and Conflicts of Interest**

Any Investment Official of the City who has a personal business relationship with a business organization offering to engage in an investment transaction with the City shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree of affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship with the Texas Ethics Commission and the City Council. For purposes of this section, an Investment Official has a personal business relationship with a business organization if:

- (1) the Investment Official owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- (2) funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or
- (3) the Investment Official has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Official.

Investment Officials of the City shall refrain from personal and business activities involving any of the City's custodians, depositories, broker/dealers or investment advisors which may influence the officer's ability to conduct his duties in an unbiased manner. Investment Officials will not utilize investment advice concerning specific securities or classes of securities obtained in the transaction of the City's business for personal investment decisions, will in all respects subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchase and sales and will keep all investment advice obtained on behalf of the City and all transactions contemplated and completed by the City confidential, except when disclosure is required by law.

**E. Investment Training Requirements**

The Investment Officer, and such other Investment Officials as may be required, or prudent, shall attend at least one ten hour training session relating to their investment responsibilities within 12 months after assuming their duties. In addition to this ten hour requirement, each investment officer shall receive not less than ten hours of instruction in their investment responsibilities at least once during each two year period. The investment training session shall be provided by an independent source approved by the investment committee. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institute of higher learning or any other sponsor other than a Business Organization with whom the City of Parker may engage in an investment transaction. Such training shall include education in investment controls, credit risk, market risk, investment strategies, and compliance with investment laws, including the Texas State Public Funds Investment Act. A list will be maintained of the number of hours and conferences attended for each Investment Official and a report of such information will be provided to the City Council. Investment "officials" includes the Investment Officer, and may include the Mayor or other member(s) of the City Council, or staff selected by the City Council as alternate Budget or Investment Officer(s).

**ARTICLE VI**  
**INVESTMENT STRATEGY STATEMENTS**

The City of Parker portfolio will be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value among asset groups shall be analyzed and pursued as part of the investment program within the restrictions set forth by the investment policy.

The City of Parker maintains portfolios which utilize four specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolios.

**A. Operating Funds**

**Suitability** - All investments authorized in the Investment Policy are suitable for Operating Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for the pooled operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The dollar-weighted average maturity of operating funds, based on the stated final maturity date of each security, will be calculated and limited to one year or less. Constant \$1 NAV investment pools and money market mutual funds shall be an integral component in maintaining daily liquidity. Investments for these funds shall not exceed an 18-month period from date of purchase.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Operating Funds shall be the 91 day Treasury bill.

#### B. Reserve and Deposit Funds

Suitability - All investments authorized in the Investment Policy are suitable for Reserve and Deposit Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for reserve and deposit funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate reserve fund from investments with a low degree of volatility. Except as may be required by the bond ordinance specific to an individual issue, investments should be of high quality, with short-to-intermediate-term maturities. The dollar-weighted average maturity of reserve and deposit funds, based on the stated final maturity date of each security, will be calculated and limited to three years or less.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Reserve and Deposit Funds shall be the 91 day Treasury bill.

C. Bond and Certificate Capital Project Funds and Special Purpose Funds

Suitability - All investments authorized in the Investment Policy are suitable for Bond and Certificate Capital Project Funds and Special Purpose Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for bond and certificate capital project funds, special projects and special purpose funds portfolios will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The stated final maturity dates of investments held should not exceed the estimated project completion date or a maturity of no greater than five years. The dollar-weighted average maturity of bond and certificate capital project funds and special purpose funds, based on the stated final maturity date of each security, will be calculated and limited to three years or less.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Bond and Certificate Capital Project Funds and Special Purpose Funds shall be the 91 day Treasury bill. A secondary objective of these funds is to achieve a yield equal to or greater than the arbitrage yield of the applicable bond or certificate.

D. Debt Service Funds

Suitability - All investments authorized in the Investment Policy are suitable for Debt Service Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date which exceeds the debt service payment date. The dollar-weighted average maturity of debt service funds, based on the stated final maturity date of each security, will be calculated and limited to one year or less.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The City's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Debt Service Funds shall be the 91 day Treasury bill.

## **ARTICLE VII** **AUTHORIZED INVESTMENTS**

- A. Obligations of the United States or its agencies and instrumentalities.
- B. Direct obligations of the State of Texas or its agencies and instrumentalities.
- C. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, the State of Texas, or the United States or its instrumentalities.
- D. Obligations of states, agencies, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent.
- E. Joint Investment Pools of political subdivisions in the State of Texas which invest in instruments and follow practices allowed by current law. A pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
- F. Certificates of Deposit issued by a depository institution that has its main office or branch office in Texas:
  - (1) and such Certificates of Deposit are:
    - a. Guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund or their successors; or
    - b. Secured by obligations described in Article VI, sections A through D above.
  - (2) or such depository institution contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Government Code (Public Funds Investment Act) as amended.
- G. Fully collateralized repurchase or reverse repurchase agreements, including flexible repurchase agreements (flex repo), with a defined termination date secured by obligations of the United States or its agencies and instrumentalities pledged to the City held in the City's name by a third party selected by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal

Reserve, or a financial institution doing business in Texas. The securities received for repurchase agreements must have a market value greater than or equal to 103 percent at the time funds are disbursed. All transactions shall be governed by a Master Repurchase Agreement between the City and the primary government securities dealer or financial institution initiating Repurchase Agreement transactions.

The term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

H. No-load money market mutual funds if the mutual fund:

- (1) Is registered with and regulated by the Securities and Exchange Commission;
- (2) Has a dollar-weighted average stated maturity of 90 days or fewer; and
- (3) Includes in its investment objectives the maintenance of a stable net asset value of one dollar for each share.

I. Investments in compliance with Texas Government Code section 2256.010(b), generally known as the CDAR's program. (Resolution 2008-245 amendment to Investment Policy)

J. Investment instruments not authorized for purchase by the City of Parker include the following:

- (1) Banker's Acceptances;
- (2) "Bond" Mutual Funds;
- (3) Collateralized Mortgage Obligations of any type; and
- (4) Commercial Paper, except that the City can invest in local government investment pools and money market mutual funds that have commercial paper as authorized investments. A local government investment pool or money market mutual fund that invests in commercial paper must meet the requirements of Article VI, Sections E and H above.

## **ARTICLE VIII** **PORTFOLIO AND INVESTMENT ASSET PARAMETERS**

A. Bidding Process for Investments

It is the policy of the City to require competitive bidding for all investment transactions (securities and bank C.D.s) except for:

- (1) transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates); and
- (2) treasury and agency securities purchased at issue through an approved broker/dealer.

At least three bids or offers must be solicited for all other investment transactions. In a situation where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price of the security. Security swaps are allowed as long as maturity extensions, credit quality changes and profits or losses taken are within the other guidelines set forth in this policy.

**B. Maximum Maturities**

The City of Parker will manage its investments to meet anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase.

**C. Maximum Dollar-Weighted Average Maturity**

Under most market conditions, the composite portfolio will be managed to achieve a one-year or less dollar-weighted average maturity. However, under certain market conditions. Investment Officials may need to shorten or lengthen the average life or duration of the portfolio to protect the City. The maximum dollar-weighted average maturity based on the stated final maturity, authorized by this investment policy for the composite portfolio of the City shall be three years.

**D. Diversification**

The allocation of assets in the portfolios should be flexible depending upon the outlook for the economy and the securities markets. In establishing specific diversification strategies, the following general policies and constraints shall apply.

- (1) Portfolio maturities and call dates shall be staggered in a way that avoids undue concentration of assets in a specific sector. Maturities shall be selected which provide for stability of income and reasonable liquidity.
- (2) To attain sufficient liquidity, the City shall schedule the maturity of its investments to coincide with known disbursements. Risk of market price volatility shall be controlled through maturity diversification such that aggregate realized price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.
- (3) The following maximum limits, by instrument, are established for the City's total portfolio:
  - U.S Treasury Notes/Bills ..... 100%
  - U.S. Government Agencies & Instrumentalities..... 100%
  - U.S. Treasury & U.S. Agency Callables..... 25%
  - Certificates of Deposit ..... 25%
  - Repurchase Agreements (*See D. (4) below*)..... 50%
  - Money Market Mutual Funds (*See D.(5) below*) ..... 100%
  - Local Government Investment Pools (*See D.(5) below*)..... 100%
  - State of Texas Obligations & Agencies ..... 25%
  - Obligations of states, agencies, cities and other

|     |   |     |
|-----|---|-----|
|     | political subdivisions of any state .....   | 25% |
| (4) | The City shall not invest more than 50% of the investment portfolio in repurchase agreements, excluding bond proceeds and reserves.   |     |
| (5) | The City shall not invest more than 80% of the investment portfolio in any individual money market mutual fund or government investment pool. (Revised per Resolution No. 2007-161)   |     |
| (6) | The investment committee shall review diversification strategies and establish or confirm guidelines on at least an annual basis regarding the percentages of the total portfolio that may be invested in securities other than U.S. Government Obligations. The investment committee shall review quarterly investment reports and evaluate the probability of market and default risk in various investment sectors as part of its consideration. |     |

## **ARTICLE IX** **AUTHORIZED BROKER/DEALERS** **AND FINANCIAL INSTITUTIONS**

A. Investment Officials will maintain a list of financial institutions and broker/dealers selected by credit worthiness, who are authorized to provide investment services to the City. These firms may include:

- (1) all primary government securities dealers; and
- (2) those regional broker/dealers who qualify under Securities and Exchange Commission Rule 15C3-1(uniform net capital rule), and who meet other financial credit criteria standards in the industry.

The Investment Officials may select up to six firms from the approved list to conduct a portion of the daily City investment business. These firms will be selected based on their competitiveness, participation in agency selling groups and the experience and background of the salesperson handling the account. The approved broker/dealer list will be reviewed and approved along with this investment policy at least annually by the investment committee.

B. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officials with the following:

- (1) Audited financial statements;
- (2) Proof of National Association of Securities Dealers (N.A.S.D.) certification, unless it is a bank;
- (3) Resumes of all sales representatives who will represent the financial institution or broker/dealer firm in dealings with the City; and
- (4) An executed written instrument, by the qualified representative, in a form acceptable to the City and the business organization substantially to the effect that the business organization has received and reviewed the investment policy of the City and acknowledges that the business organization has implemented

reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and the organization that are not authorized by the City's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

## **ARTICLE X** **SAFEKEEPING AND CUSTODY OF** **INVESTMENT ASSETS**

All security transactions, including collateral for repurchase agreements entered into by the City shall be conducted using the delivery vs. payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the safekeeping bank. The only exceptions to DVP settlement shall be wire transactions for money market funds and government investment pools. The safekeeping or custody bank is responsible for matching up instructions from the City's Investment Officials on an investment settlement with what is wired from the broker/dealer, prior to releasing the City's designated funds for a given purchase. The security shall be held in the name of the City or held on behalf of the City in a bank nominee name. Securities will be held by a third party custodian designated by the Investment Officials and evidenced by safekeeping receipts or statements. The safekeeping bank's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City. A safekeeping agreement must be in place which clearly defines the responsibilities of the safekeeping bank.

## **ARTICLE XI** **COLLATERAL**

The City's depository bank shall comply with Chapter 2257 of the Government Code, Collateral for Public Funds, as required in the City's bank depository contract.

### **A. Market Value**

The Market Value of pledged Collateral must be equal to or greater than 102% of the principal and accrued interest for cash balances in excess of the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund (NCUSIF) insurance coverage. The Federal Reserve Bank and the Federal Home Loan Bank are designated as custodial agents for collateral. An authorized City representative will approve and release all pledged collateral. The securities comprising the collateral will be marked to market on a monthly basis using quotes by a recognized market pricing service quoted on the valuation date, and the City will be sent reports monthly.

### **B. Collateral Substitution**

Collateralized investments often require substitution of collateral. The Safekeeping bank must contact the City for approval and settlement. The substitution will be approved if its value is equal to or greater than the required collateral value.

**C. Collateral Reduction**

Should the collateral's market value exceed the required amount, the Safekeeping bank may request approval from the City to reduce Collateral. Collateral reductions may be permitted only if the collateral's market value exceeds the required amount.

**D. Holding Period**

The City intends to match the holding periods of investment funds with liquidity needs of the City. In no case will the average maturity of investments of the City's operating funds exceed one year. The maximum final stated maturity of any investment shall not exceed five years. Investments in all funds shall be managed in such a way that the market price losses resulting from interest rate volatility would be offset by coupon income and current income received from the volume of the portfolio during a twelve month period.

**E. Insurance or Collateral**

All deposits and investments of City funds other than direct purchases of U.S. Treasuries or Agencies shall be secured by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC or FSLIC. Evidence of the pledged collateral shall be maintained by the Finance Director or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledge in each agreement. Collateral shall be reviewed weekly to assure that the market value of the pledged securities is adequate.

## **ARTICLE XII** **INVESTMENT REPORTS**

**A. Reporting Requirements**

The Investment Officials shall prepare a quarterly investment report in compliance with section 2256.023 of the Public Funds Investment Act of the State of Texas. The report shall be submitted to the City Council and the Investment Committee within 45 days following the end of the quarter.

**B. Investment Records**

The Investment Officer shall be responsible for the recording of investment transactions and the maintenance of the investment records with reconciliation of the accounting records and of investments carried out by an accountant. Information to maintain the investment program and the reporting requirements, including pricing or marking to market the portfolio, may be derived from various sources such as: broker/dealer research reports, newspapers, financial on-line market quotes, direct communication with broker/dealers, market pricing services, investment software for maintenance of portfolio

records, spreadsheet software, or external financial consulting services relating to investments.

**C. Auditor Review**

The City's independent external auditor must formally review the quarterly investment reports annually to insure compliance with the State of Texas Public Funds Investment Act and any other applicable State Statutes.

**ARTICLE XIII**  
**INVESTMENT COMMITTEE**

**A. Members**

The Investment Committee, consisting of the Mayor or his or her designee, the City Administrator, and the Investment Officer, and any other designated Investment Officials, if any, shall review the City's investment strategies and monitor the results of the investment program at least quarterly. This review can be done by reviewing the quarterly written reports and by holding committee meetings as necessary. The committee will be authorized to invite other advisors to attend meetings as needed.

**B. Scope**

The Investment Committee shall include in its deliberations such topics as economic outlook, investment strategies, portfolio diversification, maturity structure, potential risk to the City's funds, evaluation and authorization of broker/dealers, rate of return on the investment portfolio, review and approval of training providers and compliance with the investment policy. The Investment Committee will also advise the City Council of any future amendments to the investment policy that are deemed necessary or recommended.

**C. Procedures**

The investment policy shall require the Investment Committee to provide minutes of investment information discussed at any meetings held. The committee should meet at least annually to discuss the investment program and policies.

## GLOSSARY of COMMON TREASURY TERMS

**Agencies:** Federal agency securities.

**Asked:** The price at which securities are offered.

**Bid:** The price offered for securities.

**Bankers' Acceptance (BA):** A draft of bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Broker:** A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**Collateral:** Securities, evidence of deposit or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Comprehensive Annual Financial Report (CAFR):** The official annual report for the City includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed statistical section.

**Coupon:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**Dealer:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Debenture:** A bond secured only by the general credit of the issuer.

**Delivery versus Payment (DVP):** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (DVR) (also called free). Delivery versus payment means delivery of securities with an exchange of money for the securities. Delivery versus receipt means delivery of securities with an exchange of a signed receipt for the securities.

**Discount:** The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**Discount Securities:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, for example, U.S. Treasury bills.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns.

**Federal Credit Agencies:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, for example, S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

**Federal Deposit Insurance Corporation (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**Federal Funds Rate (the “Fed Rate”):** The rate of interest at which Federal funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**Federal Home Loan Banks (FHLB):** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks in relation to member commercial banks.

**Federal National Mortgage Association (FNMA or Fannie Mae):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and secondary loans in addition to fixed rate mortgages. FNMA's securities are highly liquid and widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal Open Market Committee (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The president of the New York Federal Reserve Bank is a permanent member while the other presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of government securities in the open-market as a means of influencing the volume of bank credit and money.

**Federal Reserve System:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., twelve (12) regional banks, and about 5,700 commercial banks that are members of the system.

**Government National Mortgage Association (GNMA or Ginnie Mae):** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan

associations, and other institutions. The security holder is protected by the full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA, or FMHM mortgages. The term pass-throughs is often used to describe Ginnie Maes.

**Liquidity:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable quantities can be purchased at those quotes.

**Local Government Investment Pool (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Master Repurchase Agreement:** To protect investors, many public investors will request that repurchase agreements be preceded by a master repurchase agreement between the investor and the financial institution or dealer. The master agreement should define the nature of the transaction, identify the relationship between the parties, establish normal practices regarding ownership and custody of the collateral securities during the term of the investment, provide remedies in the case of default by either party, and clarify issues of ownership. The master repurchase agreement protects the investor by eliminating the uncertainty of ownership and hence, allows investors to liquidate collateral if a bank or dealer defaults during the term of the agreement.

**Maturity:** The date on which the principal or stated value of an investment becomes due and payable.

**Money Market:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**Offer:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

**Open Market Operations:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**Portfolio:** Collection of securities held by an investor.

**Primary Dealer:** A primary dealer is made up of a group of government securities dealers that submits daily reports of market activity and positions and monthly financial statements to

the Federal Reserve Bank of New York and is subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

**Prudent Person Rule:** An investment standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

**Qualified Public Depositories:** A financial institution that does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, and that has segregated for the benefit of the Public Deposit Protection Commission eligible collateral having a value of not less than its maximum liability and which has been approved by the commission to hold public deposits.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (RP or REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

**Safekeeping:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SEC Rule 15C3-1:** See uniform Net Capital Rule.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities & Exchange Commission (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**Structured Notes:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**Treasury Bills (T Bills):** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

**Treasury Bond:** Long-term U.S. Treasury securities having initial maturities of more than ten years.

**Treasury Notes:** Intermediate-term, coupon-bearing U.S. Treasury securities having initial maturities from one to ten years.

**Uniform Net Capital Rule:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. (a) **Income Yield** is obtained by dividing the current dollar income by the current market price of the security. (b) **Net Yield** or **Yield to Maturity** is the current income yield minus any premium above par.



## Council Agenda Item

|                                     |  |                           |              |
|-------------------------------------|--|---------------------------|--------------|
| Budget Account Code:                | N/A  | Meeting Date:             | May 17, 2011 |
| Budgeted Amount:                    |  | Department/<br>Requestor: | Required     |
| Fund Balance-before<br>expenditure: |  | Prepared by:              | Carrie Smith |
| Estimated Cost:                     |  | Date Prepared:            | May 12, 2011 |
| Exhibits:                           | 1) Proposed Resolution 2011-333<br>2) Current Resolution 2009-258, Creation of Corporation |                           |              |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2011-333 APPOINTING MEMBERS OF THE BOARD OF DIRECTORS OF THE CITY OF PARKER, TEXAS CULTURAL EDUCATION FACILITIES FINANCE CORPORATION.

### SUMMARY

Currently the Board of Directors includes 2 Councilmembers and the Mayor.

#### Current Board of Director Members include:

|                 |                          |
|-----------------|--------------------------|
| Joe Cordina,    | Mayor                    |
| Z Marshall,     | Chief Investment Officer |
| Jim Threadgill, | Council Member           |

### POSSIBLE ACTION

- Move to approve Resolution 2011-333 appointing \_\_\_\_\_ Councilmember(s) to the City of Parker, Texas Cultural Education Facilities Finance Corporation.

| Inter – Office Use  |                   |       |                |
|---------------------|-------------------|-------|----------------|
| Approved by:        |                   | Date: |                |
| Department Head:    | <i>Jeff Hayz</i>  | Date: | <i>5-13-11</i> |
| City Attorney:      |                   | Date: |                |
| City Administrator: | <i>Chris Land</i> | Date: | <i>5-12-11</i> |

**RESOLUTION NO. 2011-333**  
*(Appointment of Board of Directors of the City of Parker, Texas CEFFC)*

**A RESOLUTION OF THE CITY OF PARKER, COLLIN COUNTY,  
TEXAS APPOINTING THE BOARD OF DIRECTORS OF THE CITY  
OF PARKER, TEXAS CULTURAL EDUCATION FACILITIES  
FINANCE CORPORATION.**

**WHEREAS**, the City Council of the City of Parker has determined that the City of Parker, Texas Cultural Education Facilities Finance Corporation, hereinafter referred to as "Parker Corp.", has served a valuable function for the facilitation of tax refinancing for those 501c-3 corporations specifically qualifying for same under the terms of Texas law; and

**WHEREAS**, the City Council wishes to appoint, and re-appoint, members of the Board of Directors of the Parker Corp;

**NOW THEREFORE BE IT RESOLVED** BY THE CITY OF PARKER, COLLIN COUNTY, TEXAS as follows:

Members of the Board of Directors

Joe Cordina  
Z Marshall

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The members of the Board of Directors appointed by the City Council are to choose the following officers of the Parker Corp in accordance with the bylaws:

Chairman of the Board, President, Vice-President, Secretary, and Treasurer.

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this the 17th day of May, 2011.

**CITY OF PARKER:**

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Joe Cordina, Mayor

**ATTEST:**

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Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

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James E. Shepherd, City Attorney



## Council Agenda Item

|                                     |                                 |                           |              |
|-------------------------------------|---------------------------------|---------------------------|--------------|
| Budget Account Code:                | N/A                             | Meeting Date:             | May 17, 2011 |
| Budgeted Amount:                    |                                 | Department/<br>Requestor: | Required     |
| Fund Balance-before<br>expenditure: |                                 | Prepared by:              | Carrie Smith |
| Estimated Cost:                     |                                 | Date Prepared:            | May 12, 2011 |
| Exhibits:                           | 1) Proposed Resolution 2011-334 |                           |              |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING  
RESOLUTION 2011-334 APPOINTING MEMBERS OF THE PERSONNEL  
COMMITTEE.

### SUMMARY

#### Current Committee Members:

|                 |                    |
|-----------------|--------------------|
| Allison Sumrow, | Chairperson        |
| Dena Daniel,    | City Administrator |
| Jim Threadgill, | Council Member     |

The Mayor serves as an ex-officio member.

### POSSIBLE ACTION

- Move to approve Resolution 2011-334 appointing \_\_\_\_\_ Councilmember(s) to the Personnel Committee.

|                     |                    |       |         |
|---------------------|--------------------|-------|---------|
| Inter – Office Use  |                    |       |         |
| Approved by:        |                    |       |         |
| Department Head:    | <i>Jeff Hause</i>  | Date: |         |
| City Attorney:      |                    | Date: |         |
| City Administrator: | <i>Dena Daniel</i> | Date: | 5-12-11 |

**RESOLUTION NO. 2011-334**  
(*Personnel Committee*)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS APPOINTING MEMBERS TO SERVE ON THE PERSONNEL COMMITTEE.**

**WHEREAS** the City Council has determined that the appointment of a Personnel Committee will facilitate matters of personnel in the city, and the interrelationship of elected officials, management, and employees;

**NOW THEREFORE BE IT RESOLVED** BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, the following are hereby appointed to serve as members of the Personnel Committee:

|              | TITLE              |
|--------------|--------------------|
| _____        | Chairperson        |
| Dena Daniel, | City Administrator |
| _____        | Council Member     |

The Mayor serves as an ex-officio member of the Personnel Committee.

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this the 17th day of May, 2011.

CITY OF PARKER:

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Joe Cordina, Mayor

ATTEST:

---

Carrie L. Smith, City Secretary

APPROVED AS TO FORM:

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James E. Shepherd, City Attorney



## Council Agenda Item

|                                     |                        |                           |              |
|-------------------------------------|------------------------|---------------------------|--------------|
| Budget Account Code:                | N/A                    | Meeting Date:             | May 17, 2011 |
| Budgeted Amount:                    |                        | Department/<br>Requestor: | Required     |
| Fund Balance-before<br>expenditure: |                        | Prepared by:              | Carrie Smith |
| Estimated Cost:                     |                        | Date Prepared:            | May 12, 2011 |
| Exhibits:                           | 1) Resolution 2011-335 |                           |              |

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING  
RESOLUTION 2011-335 APPOINTING MEMBERS OF THE EMERGENCY  
MANAGEMENT COMMITTEE.

### SUMMARY

#### Current Committee Members:

Joe Cordina, Mayor  
 Jim Threadgill, Mayor Pro-tem  
 Z Marshall, Councilmember  
 Dena Daniel, City Administrator  
 Jeff Flanigan, Assistant City Administrator  
 Mike Sheff, Fire Chief  
 Tony Fragoso, Police Chief  
 Jim Shepherd, Attorney

### POSSIBLE ACTION

- Move to approve Resolution 2011-335; subject to appointing Councilmember \_\_\_\_\_ to the Emergency Management Committee.

| Inter – Office Use  |                     |       |         |
|---------------------|---------------------|-------|---------|
| <b>Approved by:</b> |                     |       |         |
| Department Head:    |                     | Date: |         |
| City Attorney:      |                     | Date: |         |
| City Administrator: | <i>Chris Langan</i> | Date: | 5-13-11 |

**RESOLUTION NO. 2011-335**  
(Emergency Management Committee)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS APPOINTING MEMBERS TO SERVE ON THE EMERGENCY MANAGEMENT COMMITTEE.**

**WHEREAS** the City Council of the City of Parker has formed an Emergency Management Committee to provide and perform the appropriate procedures and management in the event of an emergency;

**NOW THEREFORE BE IT RESOLVED** BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, the following are hereby appointed to serve as members of the Emergency Management Committee:

|   | <b>TITLE</b>   |
|---|--|
| _____   | _____  |
| _____   | _____  |
| Dena Daniel,<br>Jeff Flanigan,<br>Mike Sheff,<br>Tony Fragoso,<br>Jim Shepherd, | City Administrator<br>Assistant City Administrator<br>Fire Chief<br>Police Chief<br>Attorney |

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this the 17th day of May, 2011.

**CITY OF PARKER:**

\_\_\_\_\_  
Joe Cordina, Mayor

**ATTEST:**

\_\_\_\_\_  
Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James E. Shepherd, City Attorney



# Council Agenda Item

|                                     |  |                           |                        |
|-------------------------------------|--|---------------------------|------------------------|
| Budget Account Code:                | N/A  | Meeting Date:             | May 17, 2011           |
| Budgeted Amount:                    |  | Department/<br>Requestor: | City Council           |
| Fund Balance-before<br>expenditure: |  | Prepared by:              | Carrie Smith <i>08</i> |
| Estimated Cost:                     |  | Date Prepared:            | May 10, 2011           |
| Exhibits:                           | 1) Resolution 2011-336 <i>Forthcoming</i><br>2) Process and Procedures |                           |                        |

## AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION APPROVING  
RESOLUTION 2011-336 APPROVING THE NEWSLETTER PROCESS AND  
PROCEDURES AND APPOINTING MEMBERS TO A NEWSLETTER REVIEW  
COMMITTEE.

## SUMMARY

## POSSIBLE ACTION

- Move to approve Resolution 2011-336, subject to appointing \_\_\_\_\_ and \_\_\_\_\_ to the Committee.
- Move to approve as amended.
- Table to a future date.

| Inter – Office Use  |                  |       |                |
|---------------------|------------------|-------|----------------|
| Approved by:        |                  |       |                |
| Department Head:    | <i>Jeff Flay</i> | Date: | <i>5-13-11</i> |
| City Attorney:      |                  | Date: |                |
| City Administrator: | <i>Alvarado</i>  | Date: | <i>5-13-11</i> |

**NEWSLETTER PROCESS**  
by City Secretary Carrie Smith

**1.0 Purpose and Scope**

- 1.1 Prepare and publish the City Split Rail newsletter in a timely, efficient and professional manner. The newsletter is done quarterly; January, April, July, and October.

**2.0 Committee**

- 2.1 There shall be a committee consisting of the one (1) Councilmember, one (1) Councilmember or Resident, City Administrator, Assistant City Administrator and City Secretary.

2.1.1 Appointed Committee Members

2.1.1.1 \_\_\_\_\_, Councilmember

2.1.1.2 \_\_\_\_\_, Councilmember or Resident

2.1.2 Member appointments shall be reviewed every two years in June.

**3.0 Process –Gather Articles – 50 DAYS PRIOR TO PRINT**

- 3.1 Update the Schedule. The Committee is to provide recommendations about events that will be happening over the next quarter and assign the article or ask for someone to write it.

3.2 Formatting.

3.2.1 Font is to be 9pt Gill Sans MT [Secretary's office beginning]

3.2.2 Text to be submitted as Word document (.doc or .docx) or .txt

3.2.3 Pictures are to be submitted in .jpg or .tiff.

3.2.4 Average size is 1/3 page plus picture, any additional space must be justified and approved by the Committee.

3.2.4.1 Word Count Estimates:

3.2.4.1.1 1/4 page with picture 200 word count

3.2.4.1.2 1/4 page without picture 240 word count

3.2.4.1.3 1/3 page with picture 240 word count

3.2.4.1.4 1/3 page without picture 300 word count

3.2.4.1.5 1/2 page with picture 400 word count

3.2.4.1.6 1/2 page without picture 450 word count

3.2.4.1.7 Full page with pictures 1000 word count

- 3.3 Send reminder to Council, Staff, City Attorney, Editor, Women's Club President, Garden Club President, Parks and Recreation Chairman, Historical Society and any other organization the Committee feels necessary along with the schedule.

- 3.4 Articles are to be sent by email to the City Secretary only to prevent duplication. –**30 DAYS PRIOR TO PRINT**

3.4.1 City Secretary is to update the schedule and mark off articles as they are received.

3.4.2 A meeting of the Committee will be held to review and mark up received articles. - **25 DAYS PRIOR TO PRINT**

3.4.3 Mark ups are to be returned to the author for approval.

*NOTE: We can no longer accept articles after the 30 day deadline, any changes after the rough draft will result in additional charges by the Editor.*

#### **4.0 Process – Meet with Editor to Review Layout - 20 DAYS PRIOR TO PRINT**

- 4.1 Schedule a meeting of the Committee and Editor to review the articles received, discuss the need for additional articles or pictures and print layout.
- 4.2 All changes are to be approved by the committee.
- 4.3 Set the deadline to receive the first rough draft from the Editor.

#### **5.0 Process – Proof First Draft - 15 DAYS PRIOR TO PRINT**

- 5.1 Schedule a meeting to proof the first draft for editing with the Committee and Editor.

*NOTE: No changes will be made to the layout as this will result in additional charges.*

#### **6.0 Process – Final Draft – 5 DAYS PRIOR TO PRINT**

- 6.1 Editor is to send the “Publisher” files to the City Secretary
- 6.2 Forward final draft to the Committee prior to printing.
- 6.3 Any corrections are to be sent to City Secretary for edit.

*NOTE: Corrections at this point will result in additional charges by the Editor. Simple corrections will be done by Staff.*

#### **7.0 Process – Billing**

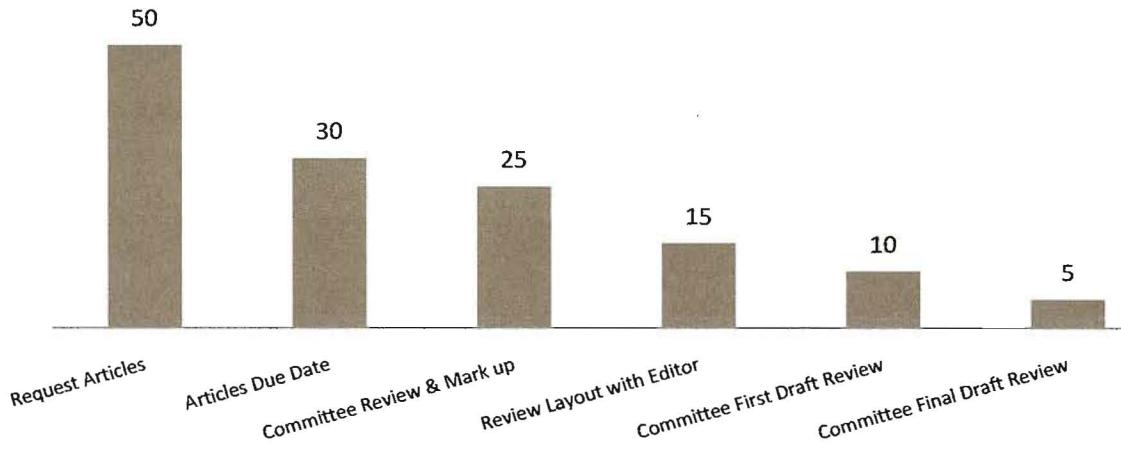
- 7.1 Detailed invoice is to be submitted to the City Administrator.
- 7.2 Invoice to be approved by the Committee
- 7.3 Invoice to be given to Finance Manager for payment.
  - 7.3.1 Net term 30 days.

#### **8.0 Time Line**

- 3.0 Request Articles – 50 DAYS PRIOR TO PRINT**
- 3.4 Articles Due - 30 DAYS PRIOR TO PRINT**
- 3.4.2 Committee Review & Mark Up – 25 DAYS PRIOR TO PRINT**
- 4.0 Review Layout - 15 DAYS PRIOR TO PRINT**
- 5.0 Proof First Draft - 10 DAYS PRIOR TO PRINT**
- 6.0 Final Draft –5 DAYS PRIOR TO PRINT**

## NEWSLETTER TIMELINE

■ Days prior to print



CITY COUNCIL  
FUTURE AGENDA ITEMS

| City Council Future Agenda Items |                    |   |                         |                            |   |
|----------------------------------|--------------------|---|-------------------------|----------------------------|---|
| Received                         | approx time (mins) | ITEM DESCRIPTION  | SCHEDULED AGENDA DATE   | Project Contact/ Requestor | Notes                                       |
|                                  | 15                 | Appreciation to Jim Threadgill for Service  | 6/7/2011                |                            |   |
|                                  | 10                 | Oncor Update on Transmission Line construction  | 6/7/2011                | Council                    | Gerald said he will return                  |
|                                  | 10                 | Oncor Rate Increase   | 6/7/2011                |                            | *Note - Action must be taken by June 17.    |
|                                  | 15                 | Need for additional police patrol on Springhill Estates due to increased speed and driving behavior.              | 6/7/2011                | Fragoso/Levine             |   |
|                                  | 50                 |   |                         |                            |   |
|                                  |                    |   |                         |                            |   |
|                                  |                    | Planning Session  | 6/14 - 6/15<br>4 - 9 pm |                            | Southfork Ranch, dates approved 4/5         |
|                                  | 15                 | Water Meter Technology  | 2011 Planning Session   | Lori/Johnna                |   |
|                                  | 15                 | What Economic Development means to the City   | 2011 Planning Session   | Dena/Sumrow/ Shepherd      | Move to planning session per Allison Dec. 7 |
|                                  | 15                 | Traffic Counters  | 2011 Planning Session   | Tony                       |   |
|                                  | 15                 | Review of Fee Schedule  | 2011 Planning Session   | Johnna                     |   |
|                                  | 15                 | Visual aids for Council Chambers  | 2011 Planning Session   | Jeff                       | monitors, laptops, ipads                    |
|                                  | 15                 | Future Monument Signs and landscape needs   | 2011 Planning Session   | Jeff                       |   |
|                                  |                    |   |                         |                            |   |
|                                  | 30                 | Expectation of board members & performance appraisal process & officers; Board Appointment Schedule and Processes | 6/21/2011               | Marshall/ Sumrow           |   |
|                                  | 30                 | Appointments to Boards and Commissions  | 6/21/2011               | Smith                      | per ordinance                               |

CITY COUNCIL  
FUTURE AGENDA ITEMS

| City Council Future Agenda Items |                    |   |                         |                           |   |
|----------------------------------|--------------------|---|-------------------------|---------------------------|---|
| Received                         | approx time (mins) | ITEM DESCRIPTION                                | SCHEDULED AGENDA DATE   | Project Contact/Requestor | Notes                                   |
|                                  |                    |   |                         |                           |   |
|                                  | 15                 | Quarterly Allied Report                         | July                    |                           | per contract - Through June             |
|                                  |                    |   |                         |                           |   |
|                                  |                    | Budget Session                                  | 7/20 - 7/21<br>4 - 9 pm |                           | Southfork Ranch, dates approved 4/5     |
|                                  |                    |   |                         |                           |   |
|                                  |                    | Qrtly Allied Report                             | October                 |                           | per contract - Quarter ending September |
|                                  |                    |   |                         |                           |   |
|                                  | 15                 | Annual approval of investment policy            | November                |                           |   |
|                                  | 15                 | Appointment of investment officers              | November                |                           |   |
|                                  | 15                 | RFP for Newsletter                              | TBD                     | Daniel                    | tabled from 2/15 meeting                |
|                                  | 30                 | Council Chamber Rental/Usage                    | TBD                     | Threadgill                | Council meeting 2/15                    |
|                                  | 15                 | Reduce Parker Rd speed limit beyond McCreary Rd | TBD                     | Mayor Pro-tem             | awaiting information from TXDOT         |
|                                  | 10                 | Adoption of City Emergency Management Plan      | TBD                     | Sheff                     |   |
|                                  | 10                 | Waterline Bids                                  | TBD                     | Jeff                      |   |
|                                  |                    | Annual Road Bids                                | TBD                     | Jeff                      |   |

# ANIMAL CONTROL REPORT

## APRIL 2011

|        |               |                       |                  |                             |
|--------|---------------|-----------------------|------------------|-----------------------------|
| Call # | Date:         | 4/4/2011              | Caller Remarks:  | STRAY CHOCOLATE MALE LAB.VG |
|        | Invoice Type: | Service Fee Only      | Expected Charge: | \$50.00                     |
| 1      | Call Type     | Action Taken By:      | Response         | Disposition                 |
|        | Stray         | Murphy Animal Control | No Animal Found  | N/A                         |

|        |               |                  |                  |   |
|--------|---------------|------------------|------------------|---|
| Call # | Date:         | 4/6/2011         | Caller Remarks:  | SORREL GILDING ON THE BACK 100 ACRES OF PROPERTY. SAW IT LAST NIGHT AND LEFT ME A MESSAGE. VICKY LEFT MESSAGES WITH NEIGHBORS TRYING TO LOCATE OWNER. NO HORSE FOUND.VG |
|        | Invoice Type: | No Charge        | Expected Charge: | \$0.00  |
| 2      | Call Type     | Action Taken By: | Response         | Disposition   |
|        | Stray         | City Personnel   | No Animal Found  | N/A   |

|        |               |                       |                  |  |
|--------|---------------|-----------------------|------------------|--|
| Call # | Date:         | 4/6/2011              | Caller Remarks:  | INSPECTOR FROM CC WITNESSED A DOG BITE AT 3302 DUBLIN RD. I CALLED MURPHY AND CHIEF FRAGOSO. QUARANTINED THEN RETURNED TO OWNER.VG |
|        | Invoice Type: | Service Fee Only      | Expected Charge: | \$50.00  |
| 3      | Call Type     | Action Taken By:      | Response         | Disposition  |
|        | Other         | Murphy Animal Control | Murphy Pick Up   | Returned to Owner-Ticket   |

|        |               |                  |                  |  |
|--------|---------------|------------------|------------------|--|
| Call # | Date:         | 4/7/2011         | Caller Remarks:  | MISSING WHITE CAT EMAIL-WAS PUT ON PARKER REFLECTOR BY OWNER TJ ENGEMANN |
|        | Invoice Type: | No Charge        | Expected Charge: | \$0.00   |
| 4      | Call Type     | Action Taken By: | Response         | Disposition  |
|        | Lost Animal   | Other            | Other            | N/A  |

|        |               |                  |                  |                  |
|--------|---------------|------------------|------------------|------------------|
| Call # | Date:         | 4/8/2011         | Caller Remarks:  | SKUNK IN TRAP.VG |
|        | Invoice Type: | No Charge        | Expected Charge: | \$0.00           |
| 5      | Call Type     | Action Taken By: | Response         | Disposition      |
|        | Animal Trap   | City Personnel   | Other            | Destroyed        |

# ANIMAL CONTROL REPORT

## APRIL 2011

|        |                  |                  |         |                       |                  |                |
|--------|------------------|------------------|---------|-----------------------|------------------|----------------|
| Call # | Date:            | 4/12/2011        |         | Caller Remarks:       | SKUNK IN TRAP.VG |                |
|        |                  | Invoice Type:    |         |                       | Expected Charge: |                |
| 6      | Service Fee Only |                  | \$50.00 |                       |                  |                |
|        | Call Type        | Action Taken By: |         | Response              |                  | Disposition    |
|        |                  | Animal Trap      |         | Murphy Animal Control |                  | Murphy Pick Up |
|        |                  |                  |         |                       |                  | Destroyed      |

|        |                  |                  |         |                       |                  |                |
|--------|------------------|------------------|---------|-----------------------|------------------|----------------|
| Call # | Date:            | 4/13/2011        |         | Caller Remarks:       | SKUNK IN TRAP.VG |                |
|        |                  | Invoice Type:    |         |                       | Expected Charge: |                |
| 7      | Service Fee Only |                  | \$50.00 |                       |                  |                |
|        | Call Type        | Action Taken By: |         | Response              |                  | Disposition    |
|        |                  | Animal Trap      |         | Murphy Animal Control |                  | Murphy Pick Up |
|        |                  |                  |         |                       |                  | Destroyed      |

|        |                  |                  |         |                       |   |             |
|--------|------------------|------------------|---------|-----------------------|---|-------------|
| Call # | Date:            | 4/20/2011        |         | Caller Remarks:       | CALLED MURPHY TO CHECK ON HORSE AT 4010 PECAN ORCHARD.VET REPORT STATED HORSE IS BEING CARED FOR. VISUAL CONDITION OF HORSE DUE TO AGE.VG |             |
|        |                  | Invoice Type:    |         |                       | Expected Charge:  |             |
| 8      | Service Fee Only |                  | \$50.00 |                       |   |             |
|        | Call Type        | Action Taken By: |         | Response              |   | Disposition |
|        |                  | Other            |         | Murphy Animal Control |   | Other       |
|        |                  |                  |         |                       |   | N/A         |

|        |           |                  |        |                 |   |             |
|--------|-----------|------------------|--------|-----------------|---|-------------|
| Call # | Date:     | 4/20/2011        |        | Caller Remarks: | SNAKE OUTSIDE/HAD HIM CALL POLICE DISPATCH.VG |             |
|        |           | Invoice Type:    |        |                 | Expected Charge:                              |             |
| 9      | No Charge |                  | \$0.00 |                 |   |             |
|        | Call Type | Action Taken By: |        | Response        |   | Disposition |
|        |           | Other            |        | Other           |   | N/A         |

|        |                  |                  |         |                       |  |                |
|--------|------------------|------------------|---------|-----------------------|--|----------------|
| Call # | Date:            | 4/20/2011        |         | Caller Remarks:       | DEAD SQUIRREL IN MIDDLE OF ROAD ON GLEN MEADOWS.VG |                |
|        |                  | Invoice Type:    |         |                       | Expected Charge:                                   |                |
| 10     | Service Fee Only |                  | \$50.00 |                       |  |                |
|        | Call Type        | Action Taken By: |         | Response              |  | Disposition    |
|        |                  | Dead Animal      |         | Murphy Animal Control |  | Murphy Pick Up |
|        |                  |                  |         |                       |  | Destroyed      |

# ANIMAL CONTROL REPORT

## APRIL 2011

|        |           |           |                  |          |  |
|--------|-----------|-----------|------------------|----------|--|
| Call # | Date:     | 4/25/2011 | Caller Remarks:  |          | SHE LEFT CARRIE A VOICE MAIL-(NOT SURE WHAT DAY) ABOUT A DOG SHE FOUND. TRIED TO CALL - NO ANSWER.VG |
|        |           |           |                  |          | Invoice Type: No Charge      Expected Charge: \$0.00   |
|        | Call Type |           | Action Taken By: | Response | Disposition  |
|        | Stray     |           | City Personnel   | Other    | N/A  |

|        |           |           |                       |                 |   |
|--------|-----------|-----------|-----------------------|-----------------|---|
| Call # | Date:     | 4/26/2011 | Caller Remarks:       |                 | DOGS(MORE THAN ONE) OUT IN THE ROAD AROUND 4208 DILLEHAY RUNNING IN AND OUT OF TRAFFIC.VG |
|        |           |           |                       |                 | Invoice Type: Service Fee Only      Expected Charge: \$50.00                              |
|        | Call Type |           | Action Taken By:      | Response        | Disposition   |
|        | Stray     |           | Murphy Animal Control | No Animal Found | N/A   |

|        |           |           |                       |          |  |
|--------|-----------|-----------|-----------------------|----------|--|
| Call # | Date:     | 4/27/2011 | Caller Remarks:       |          | DOGS OUT AGAIN AT 4208 DILLEHAY SITTING AT EDGE OF DRIVEWAY NEAR TRAFFIC.VG TAMMY GAVE WARNING TO OWNER. |
|        |           |           |                       |          | Invoice Type: Service Fee Only      Expected Charge: \$50.00   |
|        | Call Type |           | Action Taken By:      | Response | Disposition  |
|        | Stray     |           | Murphy Animal Control | Other    | Returned to Owner-No ticket  |

|        |           |           |                       |                  |  |
|--------|-----------|-----------|-----------------------|------------------|--|
| Call # | Date:     | 4/27/2011 | Caller Remarks:       |                  | PERMISSION TO ACCEPT A DOG FOUND BY PARKER RESIDENT.VG           |
|        |           |           |                       |                  | Invoice Type: Service Fee + 3 Days      Expected Charge: \$80.00 |
|        | Call Type |           | Action Taken By:      | Response         | Disposition  |
|        | Stray     |           | Murphy Animal Control | Citizen Drop Off | Holding  |

|        |             |           |                       |                |  |
|--------|-------------|-----------|-----------------------|----------------|--|
| Call # | Date:       | 4/28/2011 | Caller Remarks:       |                | OFFICER PAUL CALLED IN SKUNK ON PORCH FOR RESIDENT.VG        |
|        |             |           |                       |                | Invoice Type: Service Fee Only      Expected Charge: \$50.00 |
|        | Call Type   |           | Action Taken By:      | Response       | Disposition  |
|        | Dead Animal |           | Murphy Animal Control | Murphy Pick Up | Destroyed  |

|        |           |           |                  |          |  |
|--------|-----------|-----------|------------------|----------|--|
| Call # | Date:     | 4/29/2011 | Caller Remarks:  |          | GARY OUT TO TALK TO OWNER.                                   |
|        |           |           |                  |          | Invoice Type: Service Fee Only      Expected Charge: \$50.00 |
|        | Call Type |           | Action Taken By: | Response | Disposition  |
|        | Stray     |           | City Personnel   | Other    | Other  |

**TOTAL= \$530**

**City of Parker  
POLICE DEPARTMENT  
MONTHLY REPORT**

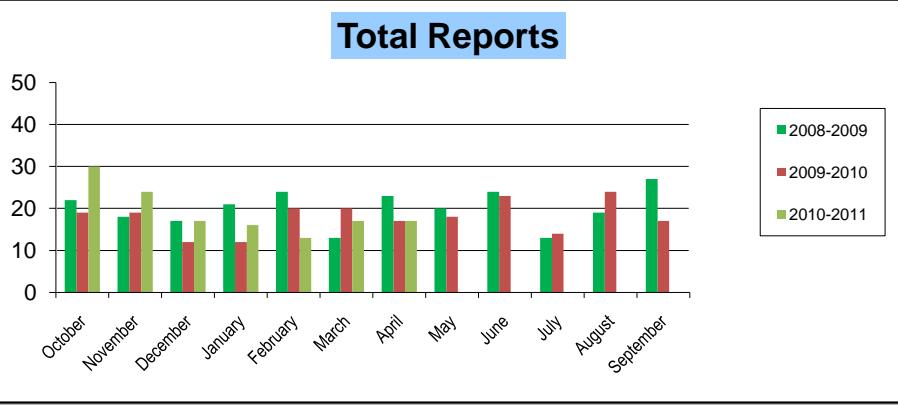
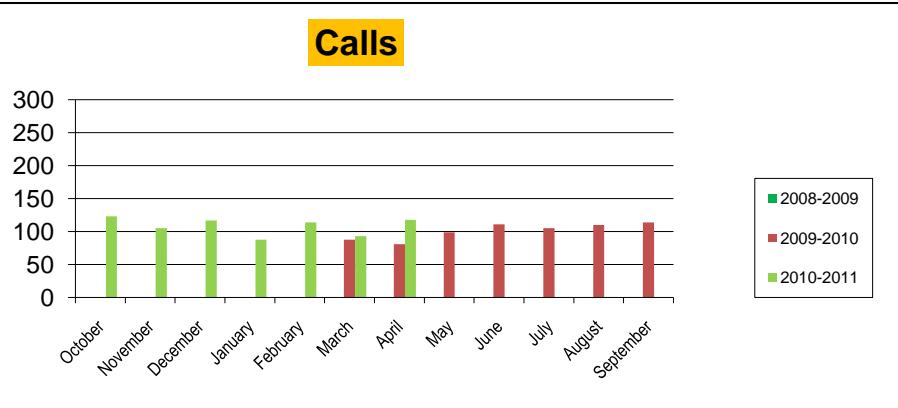
| <b>Calls</b>       |           |            |           |
|--------------------|-----------|------------|-----------|
| Fiscal Year        | 2008-2009 | 2009-2010  | 2010-2011 |
| October            |           |            | 123       |
| November           |           |            | 105       |
| December           |           |            | 117       |
| January            |           |            | 88        |
| February           |           |            | 114       |
| March              | 88        | 93         |           |
| April              | 81        | 118        |           |
| May                | 99        |            |           |
| June               | 111       |            |           |
| July               | 105       |            |           |
| August             | 110       |            |           |
| September          | 114       |            |           |
| <b>Y-T-D Total</b> | <b>0</b>  | <b>708</b> |           |

| <b>Traffic Stops</b> |           |             |           |
|----------------------|-----------|-------------|-----------|
| Fiscal Year          | 2008-2009 | 2009-2010   | 2010-2011 |
| October              |           |             | 205       |
| November             |           |             | 186       |
| December             |           |             | 156       |
| January              |           |             | 124       |
| February             |           |             | 117       |
| March                | 162       | 169         |           |
| April                | 178       | 122         |           |
| May                  | 210       |             |           |
| June                 | 200       |             |           |
| July                 | 223       |             |           |
| August               | 288       |             |           |
| September            | 229       |             |           |
| <b>Y-T-D Total</b>   | <b>0</b>  | <b>1490</b> |           |

| <b>Total Reports</b> |            |            |           |
|----------------------|------------|------------|-----------|
| Fiscal Year          | 2008-2009  | 2009-2010  | 2010-2011 |
| October              | 22         | 19         | 30        |
| November             | 18         | 19         | 24        |
| December             | 17         | 12         | 17        |
| January              | 21         | 12         | 16        |
| February             | 24         | 20         | 13        |
| March                | 13         | 20         | 17        |
| April                | 23         | 17         | 17        |
| May                  | 20         | 18         |           |
| June                 | 24         | 23         |           |
| July                 | 13         | 14         |           |
| August               | 19         | 24         |           |
| September            | 27         | 17         |           |
| <b>Y-T-D Total</b>   | <b>241</b> | <b>215</b> |           |

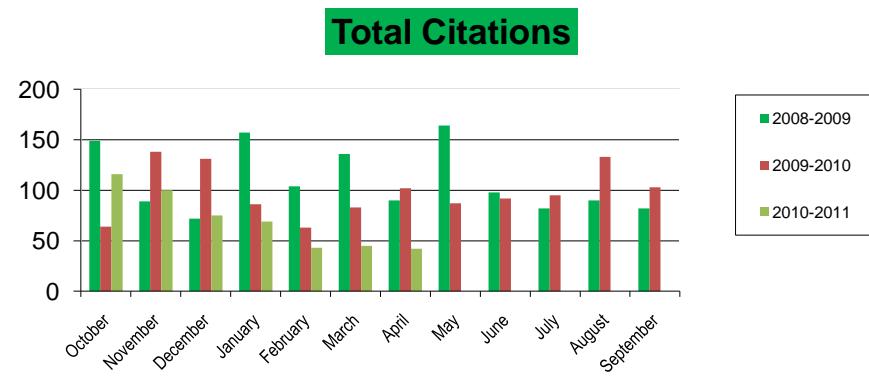
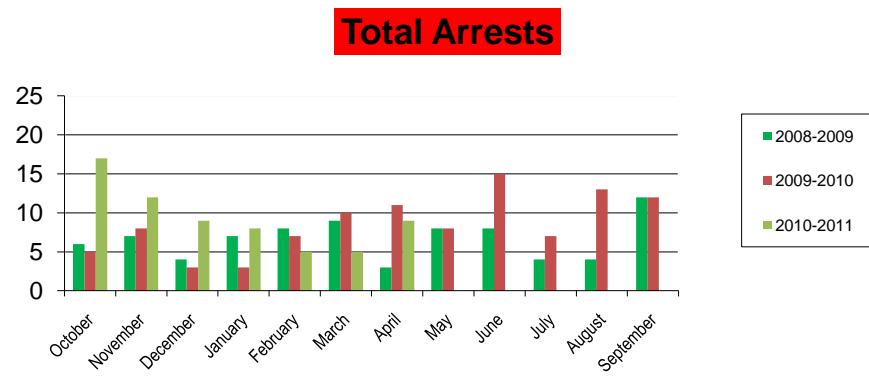


City of Parker  
POLICE DEPARTMENT  
MONTHLY REPORT

| <b>Total Arrests</b> |           |            |
|----------------------|-----------|------------|
| Fiscal Year          | 2008-2009 | 2009-2010  |
| October              | 6         | 5          |
| November             | 7         | 8          |
| December             | 4         | 3          |
| January              | 7         | 3          |
| February             | 8         | 7          |
| March                | 9         | 10         |
| April                | 3         | 11         |
| May                  | 8         | 8          |
| June                 | 8         | 15         |
| July                 | 4         | 7          |
| August               | 4         | 13         |
| September            | 12        | 12         |
| <b>Y-T-D Total</b>   | <b>80</b> | <b>102</b> |

| <b>Total Citations</b> |             |             |
|------------------------|-------------|-------------|
| Fiscal Year            | 2008-2009   | 2009-2010   |
| October                | 149         | 64          |
| November               | 89          | 138         |
| December               | 72          | 131         |
| January                | 157         | 86          |
| February               | 104         | 63          |
| March                  | 136         | 83          |
| April                  | 90          | 102         |
| May                    | 164         | 87          |
| June                   | 98          | 92          |
| July                   | 82          | 95          |
| August                 | 90          | 133         |
| September              | 82          | 103         |
| <b>Y-T-D Total</b>     | <b>1313</b> | <b>1177</b> |



City of Parker  
POLICE DEPARTMENT  
VEHICLE MAINTENANCE

## RESERVE OFFICERS

|    | A                | B    | C    | D    | E    | F  | G   | H  | I | J | K | L | M | N    |
|----|------------------|------|------|------|------|----|-----|----|---|---|---|---|---|------|
| 1  | OFFICER          |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 2  |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 3  | Chris Reinke     | 15.5 | 25   | 11   | 13.5 | 9  | 5   | 11 |   |   |   |   |   | 90   |
| 4  | Paul Cogwell     | 6    | 21   | 10   | 5    | ?  | 7.5 | 35 |   |   |   |   |   | 84.5 |
| 5  | Mike McCandless  |      |      |      |      |    |     | 3  |   |   |   |   |   | 3    |
| 6  | Alan Blankenship | 18   | 12.5 | 98.5 | 35   | 17 | 20  | 63 |   |   |   |   |   | 264  |
| 7  |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 8  |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 9  |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 10 |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 11 |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 12 |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 13 |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |
| 14 |                  |      |      |      |      |    |     |    |   |   |   |   |   |      |

INCLUDES:  
27.5 HOURS WORKED  
71 HOURS OF SCHOOL

Vicky Granger:  
Need numbers from Toby.

INCLUDES:  
36 HOURS OF SCHOOL

INCLUDES:  
13 HOURS SCHOOL



## BUILDING PERMIT TOTALS

Apr-11

|                                   |    |
|-----------------------------------|----|
| ACCESSORY/OUTBUILDING PERMITS     | 4  |
| IRRIGATION/LAWN SPRINKLER PERMITS | 1  |
| MISCELLANEOUS PERMITS             | 12 |
| SWIMMING POOL PERMITS             | 1  |
| REMODEL/ADDITION PERMITS          | 1  |
| SINGLE FAMILY RESIDENTIAL PERMITS | 3  |
| INSPECTIONS                       | 72 |

CITY OF PARKER  
PERMIT LOG  
APRIL 2011

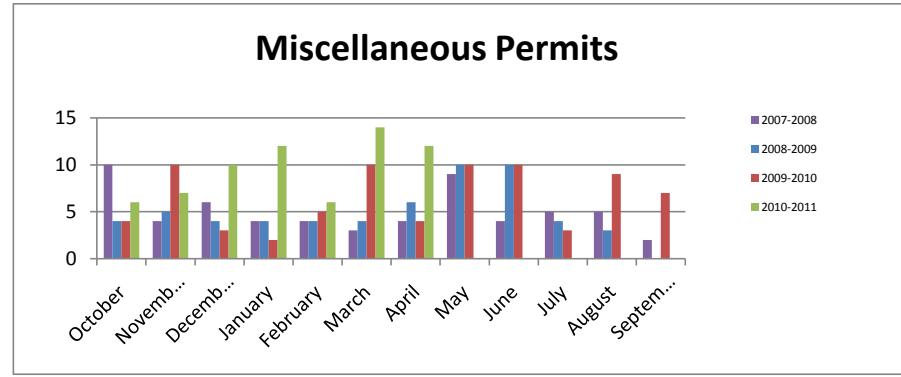
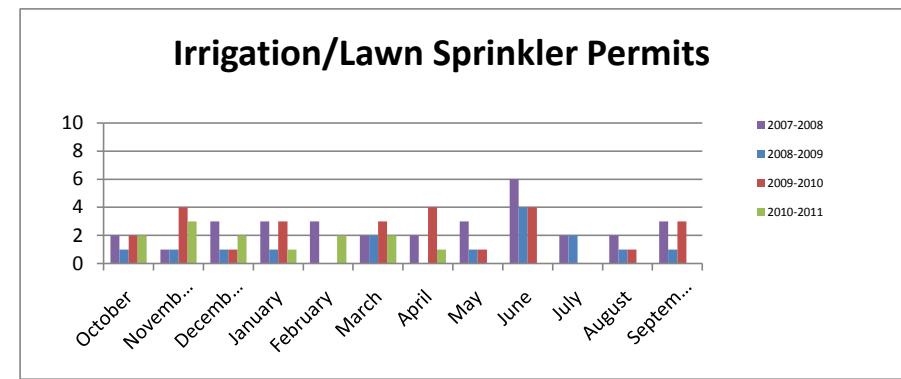
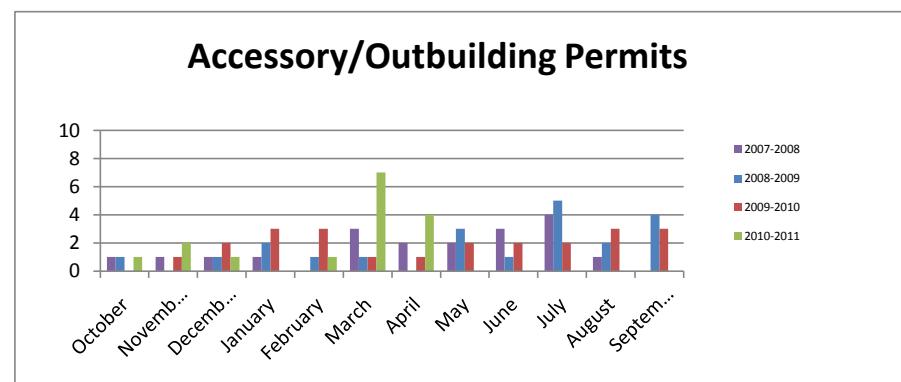
| PERMIT NUMBER | ISSUE DATE | TYPE  | ADDRESS                | DESCRIPTION                             | ESTIMATED VALUE | SQUARE FOOTAGE | PERMIT FEE  | DEPOSIT FEE | WATER METER FEE |
|---------------|------------|-------|------------------------|---|-----------------|----------------|-------------|-------------|-----------------|
| 20111013      | 4/14/2011  | ACC   | 7301 MEADOW GLEN DR    | GOLD MEDAL POOLS-ARBOR/GRILL            | \$2,000.00      | 451            | \$250.00    | NA          | NA              |
| 20111012      | 4/8/2011   | ACC   | 7290 MOSS RIDGE RD     | GOODMAN SERVICES-BARN                   | \$15,000.00     | 2,376          | \$300.00    | NA          | NA              |
| 20111015      | 4/27/2011  | ACC   | 6004 RATHBONE DR       | FORTRESS-GARAGE/POOL BATH               | \$28,000.00     | 500            | \$250.00    | NA          | NA              |
| 20111014      | 4/27/2011  | ACC   | 6008 ANDOVER DR        | FORTRESS-GARAGE/POOL BATH               | \$45,000.00     | 870            | \$250.00    | NA          | NA              |
| 20112003      | 4/26/2011  | ELEC  | 3910 BOIS D'ARC LN     | DEVARDS-REPLACE METER BASE/MAIN PANEL   | NA              | NA             | \$75.00     | NA          | NA              |
| 20116008      | 4/20/2011  | FENCE | 7504 MEADOW GLEN DR    | TX FENCE SUPPLY-FENCE                   | \$5,000.00      | NA             | \$75.00     | NA          | NA              |
| 20116006      | 4/14/2011  | FENCE | 3812 SADDLE TRL        | NETLOC INC-FENCE                        | \$24,000.00     | NA             | \$75.00     | NA          | NA              |
| 20113002      | 4/7/2011   | FSPR  | 7406 MEADOW GLEN DR    | RESCOM-FIRE SPRINKLER SYSTEM            | NA              | NA             | \$150.00    | NA          | NA              |
| 20114006      | 4/27/2011  | IRR   | 4700 OLD GATE LN       | AMERICAN IRRIGATION-IRRIGATION SYSTEM   | \$1,500.00      | NA             | \$75.00     | NA          | NA              |
| 20117028      | 4/27/2011  | PLUM  | 4102 ROLLING KNOLLS DR | SCOUT PLUMBING-WATER HEATER             | NA              | NA             | \$75.00     | NA          | NA              |
| 20117027      | 4/25/2011  | PLUM  | 4007 PECAN ORCHARD DR  | TND MECHANICAL-WATER HEATER             | NA              | NA             | \$75.00     | NA          | NA              |
| 20117024      | 4/4/2011   | PLUM  | 4307 SYCAMORE LN       | SERV ALL-WATER HEATER                   | NA              | NA             | \$75.00     | NA          | NA              |
| 20117023      | 4/1/2011   | PLUM  | 5806 BRACKNELL DR      | L & S PLUMBING-WATER HEATERS(2)         | NA              | NA             | \$75.00     | NA          | NA              |
| 20117029      | 4/28/2011  | PLUM  | 5900 WESSEX CT         | NORTHSTAR PLUMBING-WATER HEATER         | NA              | NA             | \$75.00     | NA          | NA              |
| 20117026      | 4/11/2011  | PLUM  | 5506 RAVENSTHORPE DR   | WATER WORKS PLUMBING-GAS TO POOL HEATER | NA              | NA             | \$75.00     | NA          | NA              |
| 20117025      | 4/7/2011   | PLUM  | 5903 WESSEX CT         | FIRST CALL PLUMBING-WATER HEATER        | NA              | NA             | \$75.00     | NA          | NA              |
| 20117030      | 4/29/2011  | PLUM  | 6009 BRACKNELL DR      | SERV ALL-WATER HEATER                   | NA              | NA             | \$75.00     | NA          | NA              |
| 201110008     | 4/21/2011  | POOL  | 7403 MEADOW GLEN DR    | CUSTOM OUTDOOR TRENDS-POOL              | \$61,889.00     | NA             | \$500.00    | NA          | NA              |
| 20118007      | 4/29/2011  | REMOD | 4804 RIDGEVIEW DR      | DISCOVERY SIGNATURE HOMES-REMODEL       | \$156,000.00    | 3,883          | \$1,710.00  | NA          | NA              |
| 20119010      | 4/20/2011  | SFR   | 3812 SADDLE TRL        | HALIFAX HOMES-NEW RESIDENCE             | \$850,000.00    | 8,390          | \$5,200.10  | \$1,000.00  | \$2,500.00      |
| 20119011      | 4/27/2011  | SFR   | 6206 NORTHRIDGE PKWY   | PAUL TAYLOR HOMES-NEW RESIDENCE         | \$490,000.00    | 6,177          | \$3,894.43  | \$1,000.00  | \$2,000.00      |
| 20119009      | 4/14/2011  | SFR   | 6705 OVERBROOK DR      | DAVE R. WILLIAMS HOMES-NEW RESIDENCE    | \$700,000.00    | 8,399          | \$5,205.41  | \$1,000.00  | \$2,000.00      |
|               |            |       |                        |   |                 |                |             |             |                 |
|               |            |       |                        |   | \$2,378,389.00  | 31,046         | \$18,609.94 | \$3,000.00  | \$6,500.00      |

## PERMIT GRAPHS

| <b>Accessory/Outbuildings Permits</b> |           |           |           |           |
|---------------------------------------|-----------|-----------|-----------|-----------|
| Fiscal Year                           | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October                               | 1         | 1         | 0         | 1         |
| November                              | 1         | 0         | 1         | 2         |
| December                              | 1         | 1         | 2         | 1         |
| January                               | 1         | 2         | 3         | 0         |
| February                              | 0         | 1         | 3         | 1         |
| March                                 | 3         | 1         | 1         | 7         |
| April                                 | 2         | 0         | 1         | 4         |
| May                                   | 2         | 3         | 2         |           |
| June                                  | 3         | 1         | 2         |           |
| July                                  | 4         | 5         | 2         |           |
| August                                | 1         | 2         | 3         |           |
| September                             | 0         | 4         | 3         |           |
| Y-T-D Total                           | 19        | 21        | 23        |           |

| <b>Irrigation/Lawn Sprinkler Permits</b> |           |           |           |           |
|--|-----------|-----------|-----------|-----------|
| Fiscal Year                              | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October                                  | 2         | 1         | 2         | 2         |
| November                                 | 1         | 1         | 4         | 3         |
| December                                 | 3         | 1         | 1         | 2         |
| January                                  | 3         | 1         | 3         | 1         |
| February                                 | 3         | 0         | 0         | 2         |
| March                                    | 2         | 2         | 3         | 2         |
| April                                    | 2         | 0         | 4         | 1         |
| May                                      | 3         | 1         | 1         |           |
| June                                     | 6         | 4         | 4         |           |
| July                                     | 2         | 2         | 0         |           |
| August                                   | 2         | 1         | 1         |           |
| September                                | 3         | 1         | 3         |           |
| Y-T-D Total                              | 32        | 15        | 26        |           |

| <b>Miscellaneous Permits</b> |           |           |           |           |
|------------------------------|-----------|-----------|-----------|-----------|
| Fiscal Year                  | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October                      | 10        | 4         | 4         | 6         |
| November                     | 4         | 5         | 10        | 7         |
| December                     | 6         | 4         | 3         | 10        |
| January                      | 4         | 4         | 2         | 12        |
| February                     | 4         | 4         | 5         | 6         |
| March                        | 3         | 4         | 10        | 14        |
| April                        | 4         | 6         | 4         | 12        |
| May                          | 9         | 10        | 10        |           |
| June                         | 4         | 10        | 10        |           |
| July                         | 5         | 4         | 3         |           |
| August                       | 5         | 3         | 9         |           |
| September                    | 2         | 8         | 7         |           |
| Y-T-D Total                  | 60        | 66        | 77        |           |



## PERMIT GRAPHS

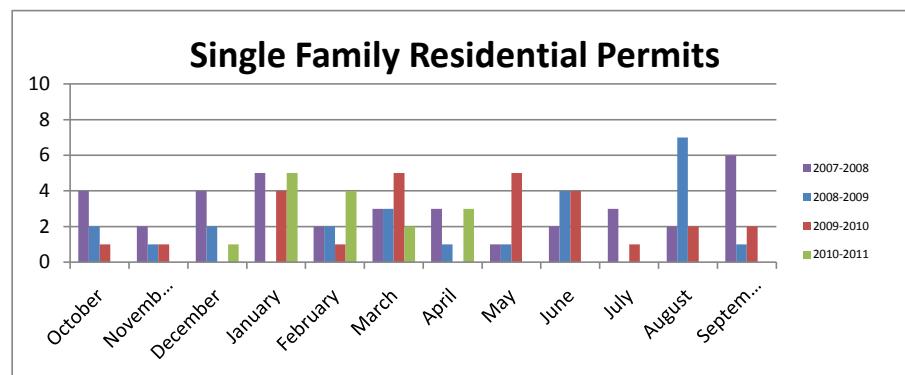
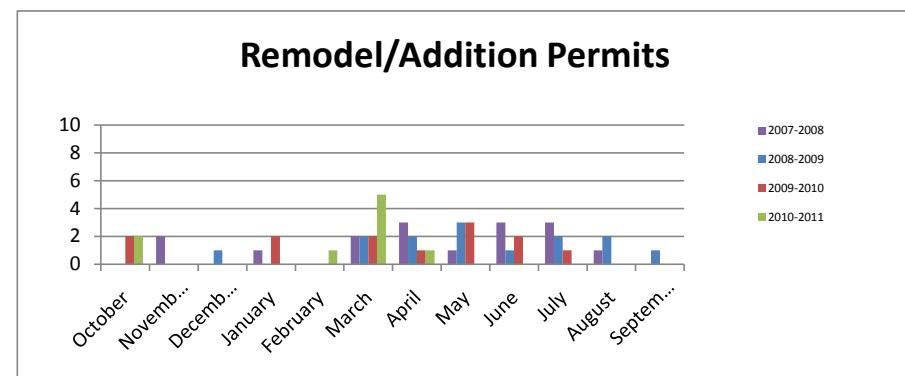
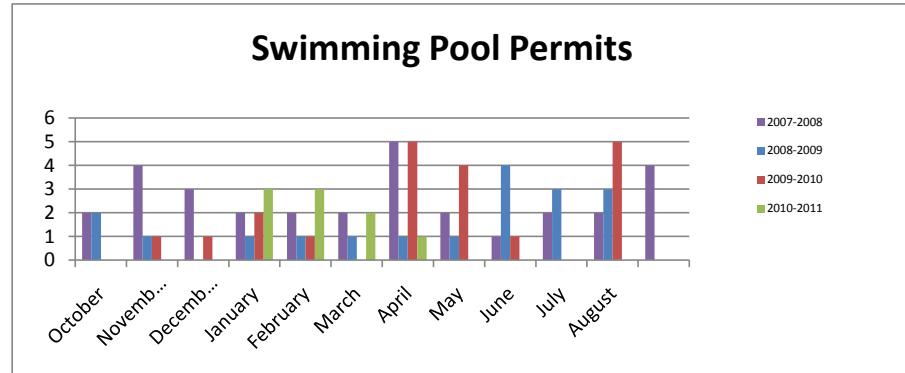
| <b>Swimming Pool Permits</b> |           |           |           |           |
|------------------------------|-----------|-----------|-----------|-----------|
| Fiscal Year                  | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October                      | 2         | 2         | 0         | 0         |
| November                     | 4         | 1         | 1         | 0         |
| December                     | 3         | 0         | 1         | 0         |
| January                      | 2         | 1         | 2         | 3         |
| February                     | 2         | 1         | 1         | 3         |
| March                        | 2         | 1         | 0         | 2         |
| April                        | 5         | 1         | 5         | 1         |
| May                          | 2         | 1         | 4         |           |
| June                         | 1         | 4         | 1         |           |
| July                         | 2         | 3         | 0         |           |
| August                       | 2         | 3         | 5         |           |
| September                    | 4         | 2         | 0         |           |
| Y-T-D Total                  | 31        | 20        | 20        |           |

| <b>Remodel/Addition Permits</b> |           |           |           |           |
|---------------------------------|-----------|-----------|-----------|-----------|
| Fiscal Year                     | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October                         | 0         | 0         | 2         | 2         |
| November                        | 2         | 0         | 0         | 0         |
| December                        | 0         | 1         | 0         | 0         |
| January                         | 1         | 0         | 2         | 0         |
| February                        | 0         | 0         | 0         | 1         |
| March                           | 2         | 2         | 2         | 5         |
| April                           | 3         | 2         | 1         | 1         |
| May                             | 1         | 3         | 3         |           |
| June                            | 3         | 1         | 2         |           |
| July                            | 3         | 2         | 1         |           |
| August                          | 1         | 2         | 0         |           |
| September                       | 3         | 1         | 0         |           |
| Y-T-D Total                     | 19        | 14        | 13        |           |

| <b>Single Family Residential Building Permits</b> |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
| Fiscal Year                                       | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 |
| October   | 4         | 2         | 1         | 0         |
| November  | 2         | 1         | 1         | 0         |
| December  | 4         | 2         | 0         | 1         |
| January   | 5         | 0         | 4         | 5         |
| February  | 2         | 2         | 1         | 4         |
| March   | 3         | 3         | 5         | 2         |
| April   | 3         | 1         | 0         | 3         |
| May   | 1         | 1         | 5         |           |
| June  | 2         | 4         | 4         |           |
| July  | 3         | 0         | 1         |           |
| August  | 2         | 7         | 2         |           |
| September   | 6         | 1         | 2         |           |
| Y-T-D Total                                       | 37        | 24        | 26        |           |



**INSPECTION LOG**  
APRIL 2011

**ASYST REPORT**

| Type                      | Number   | Inspection               | Completion Date | Comments                |
|---------------------------|----------|--------------------------|-----------------|-------------------------|
| ACCESSORY/OUTBUILDING     | 20101028 | Building Final           | 4/11/2011       |                         |
| ACCESSORY/OUTBUILDING     | 20111002 | Building Final           | 4/11/2011       |                         |
| ACCESSORY/OUTBUILDING     | 20111005 | Framing                  | 4/8/2011        |                         |
|                           |          | Electrical Rough         | 4/8/2011        |                         |
|                           |          | Mechanical Rough         | 4/8/2011        |                         |
| ACCESSORY/OUTBUILDING     | 20111006 | Framing                  | 4/26/2011       | FAILED ON 4/20/11       |
|                           |          | Electrical Rough         | 4/26/2011       | FAILED ON 4/20/11       |
|                           |          | Mechanical Rough         | 4/26/2011       | FAILED ON 4/20/11       |
| ACCESSORY/OUTBUILDING     | 20111007 | Framing                  | 4/8/2011        |                         |
|                           |          | Electrical Rough         | 4/8/2011        |                         |
|                           |          | Mechanical Rough         | 4/8/2011        |                         |
| ACCESSORY/OUTBUILDING     | 20111010 | Framing                  | 4/6/2011        |                         |
|                           |          | Electrical Rough         | 4/6/2011        |                         |
|                           |          | Mechanical Rough         | 4/6/2011        |                         |
| ACCESSORY/OUTBUILDING     | 20111011 | Framing                  | 4/20/2011       |                         |
|                           |          | Electrical Rough         | 4/20/2011       |                         |
|                           |          | Mechanical Rough         | 4/20/2011       |                         |
| ACCESSORY/OUTBUILDING     | 20111013 | Framing Rough            | 4/20/2011       |                         |
|                           |          | Electrical Rough         | 4/20/2011       |                         |
| ACCESSORY/OUTBUILDING     | 20111014 | Foundation               | 4/20/2011       | W/EXCEPTION-FORM SURVEY |
| ELECTRICAL                | 20112003 | Electrical Inspection    | 4/26/2011       |                         |
| FIRE SPRINKLER            | 20113001 | Fire Hydro Visual        | 4/7/2011        |                         |
| PLUMBING                  | 20107026 | Water Heater             | 4/7/2011        |                         |
| PLUMBING                  | 20117023 | Water Heater             | 4/11/2011       |                         |
| PLUMBING                  | 20117025 | Water Heater             | 4/14/2011       | FAILED 4/1/11           |
| REMODEL/ADDITION          | 20118001 | Building Final           | 4/8/2011        |                         |
| REMODEL/ADDITION          | 20118005 | Framing                  | 4/6/2011        |                         |
|                           |          | Electrical Rough         | 4/6/2011        |                         |
| REMODEL/ADDITION          | 20118006 | Framing                  | 4/21/2011       | BREEZEWAY               |
| SINGLE FAMILY RESIDENTIAL | 20099008 | Building Final           | 4/7/2011        | FAILED 5/11/10-5/13/10  |
| SINGLE FAMILY RESIDENTIAL | 20109013 | Building Final           | 4/26/2011       |                         |
|                           |          | Survey Plat              | 4/26/2011       |                         |
| SINGLE FAMILY RESIDENTIAL | 20109037 | Meter Release - Electric | 4/27/2011       |                         |
|                           |          | Meter Release - Gas      | 4/27/2011       |                         |
| SINGLE FAMILY RESIDENTIAL | 20109039 | Meter Release - Electric | 4/6/2011        |                         |
|                           |          | Meter Release - Gas      | 4/7/2011        |                         |
| SINGLE FAMILY RESIDENTIAL | 20109040 | Plumbing Top-Out         | 4/13/2011       | FAILED 4/6/11           |
|                           |          | Electrical Rough         | 4/13/2011       | FAILED 4/6/11           |
|                           |          | Mechanical Rough         | 4/13/2011       | FAILED 4/6/11           |
|                           |          | Framing                  | 4/13/2011       | FAILED 4/6/11           |
| SINGLE FAMILY RESIDENTIAL | 20119001 | Plumbing Top-Out         | 4/15/2011       |                         |

**INSPECTION LOG**  
APRIL 2011

**ASYST REPORT**

| <b>ASYST REPORT</b>       |           |                        |                 |                |
|---------------------------|-----------|------------------------|-----------------|----------------|
| Type                      | Number    | Inspection             | Completion Date | Comments       |
|                           |           | Electrical Rough       | 4/15/2011       |                |
|                           |           | Mechanical Rough       | 4/15/2011       |                |
|                           |           | Framing                | 4/15/2011       |                |
| SINGLE FAMILY RESIDENTIAL | 20119002  | Plumbing Top-Out       | 4/8/2011        | FAILED 4/6/11  |
|                           |           | Electrical Rough       | 4/8/2011        | FAILED 4/6/11  |
|                           |           | Mechanical Rough       | 4/8/2011        | FAILED 4/6/11  |
|                           |           | Framing                | 4/8/2011        | FAILED 4/6/11  |
| SINGLE FAMILY RESIDENTIAL | 20119003  | Plumbing Top-Out       | 4/6/2011        |                |
|                           |           | Electrical Rough       | 4/6/2011        |                |
|                           |           | Mechanical Rough       | 4/6/2011        |                |
|                           |           | Framing                | 4/6/2011        |                |
|                           |           | Driveway Approach      | 4/27/2011       |                |
| SINGLE FAMILY RESIDENTIAL | 20119007  | Plumbing Top-Out       | 4/12/2011       | FAILED 4/7/11  |
|                           |           | Electrical Rough       | 4/12/2011       | FAILED 4/7/11  |
|                           |           | Mechanical Rough       | 4/12/2011       | FAILED 4/7/11  |
|                           |           | Framing                | 4/12/2011       | FAILED 4/7/11  |
|                           |           | Driveway Approach      | 4/29/2011       |                |
| SINGLE FAMILY RESIDENTIAL | 20119009  | Culvert                | 4/27/2011       |                |
|                           |           | T-Pole                 | 4/29/2011       | FAILED 4/27/11 |
|                           |           | Plumbing Rough         | 4/29/2011       |                |
|                           |           | Form Survey            | 4/27/2011       | FAILED 4/27/11 |
| SINGLE FAMILY RESIDENTIAL | 20119010  | T-Pole                 | 4/1/2011        |                |
| SWIMMING POOL             | 201010007 | Gas Line to Pool Heate | 4/12/2011       |                |
| SWIMMING POOL             | 201010017 | Deck Steel             | 4/17/2011       |                |
|                           |           | Pool Final             | 4/1/2011        |                |
| SWIMMING POOL             | 201110003 | Pool Final             | 4/12/2011       |                |
| SWIMMING POOL             | 201110005 | Fence Final            | 4/15/2011       |                |
| SWIMMING POOL             | 201110006 | Deck Steel             | 4/6/2011        | FAILED 4/1/11  |
| SWIMMING POOL             | 201110007 | Gas Line to Pool Heate | 4/1/2011        |                |
|                           |           | Deck Steel             | 4/25/2011       | FAILED 4/20/11 |
| SWIMMING POOL             | 201110008 | Belly Steel            | 4/29/2011       |                |

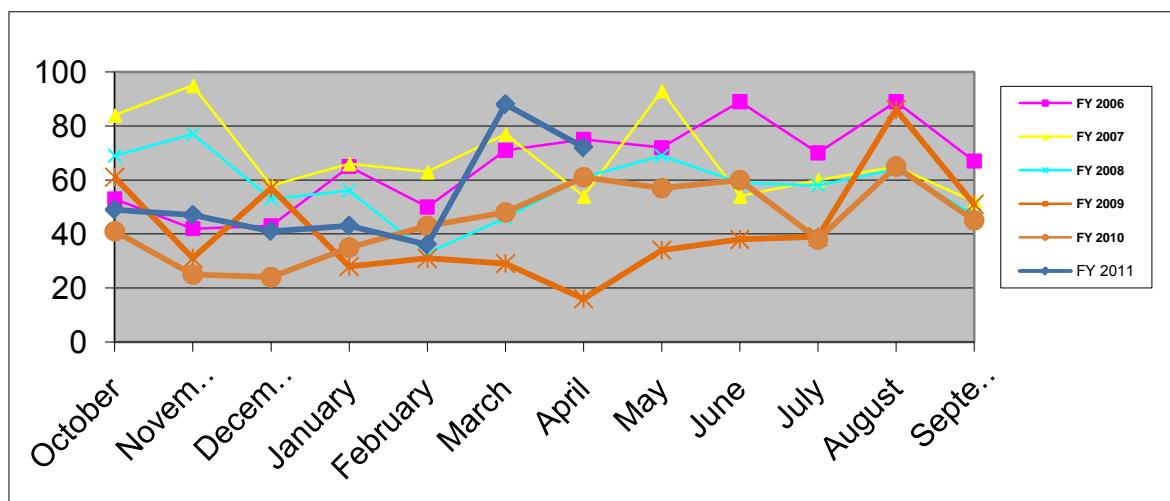
**TOTAL =**

**72**

## Monthly Inspection Report

|            | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
|------------|---------|---------|---------|---------|---------|---------|
| October    | 53      | 84      | 69      | 61      | 41      | 49      |
| November   | 42      | 95      | 77      | 31      | 25      | 47      |
| December   | 43      | 58      | 53      | 57      | 24      | 41      |
| January    | 65      | 66      | 56      | 28      | 35      | 43      |
| February   | 50      | 63      | 33      | 31      | 43      | 36      |
| March      | 71      | 77      | 46      | 29      | 48      | 88      |
| April      | 75      | 54      | 61      | 16      | 61      | 72      |
| May        | 72      | 93      | 69      | 34      | 57      |         |
| June       | 89      | 54      | 59      | 38      | 60      |         |
| July       | 70      | 60      | 58      | 39      | 38      |         |
| August     | 89      | 65      | 64      | 86      | 65      |         |
| September  | 67      | 52      | 47      | 51      | 45      |         |
| Year Total | 786     | 821     | 692     | 501     | 542     | 376     |

Update Reports on  
1/16/08 after receiving  
missing inspection  
reports.  
Again on 3/6/08.  
Again on 3/11/08  
Again on 5/20/08  
Again on 6/5/08



CODE ENFORCEMENT REPORT  
2010-2011

| Violation Description | OCT       | NOV       | DEC       | JAN      | FEB      | MAR       | APR       | MAY      | JUN      | JUL      | AUG      | SEP      | YTD Totals |
|-----------------------|-----------|-----------|-----------|----------|----------|-----------|-----------|----------|----------|----------|----------|----------|------------|
| High Grass            | 15        | 4         | 2         | 1        |          | 5         | 8         |          |          |          |          |          | 35         |
| Illegal Dumping       | 2         |           |           | 2        | 2        |           |           |          |          |          |          |          | 6          |
| Illegal Structure     | 1         | 1         |           | 1        | 1        |           |           |          |          |          |          |          | 4          |
| Illegal Vehicle       | 3         | 4         | 2         |          |          |           | 1         |          |          |          |          |          | 10         |
| Junked Vehicles       |           | 2         | 2         |          | 1        |           |           |          |          |          |          |          | 5          |
| Lot Maintenance       | 4         | 3         | 3         | 2        |          | 2         | 2         |          |          |          |          |          | 16         |
| Trash and Debris      | 2         |           | 2         | 2        | 2        | 5         | 5         |          |          |          |          |          | 18         |
| <b>ITEM TOTALS</b>    | <b>27</b> | <b>14</b> | <b>11</b> | <b>8</b> | <b>6</b> | <b>12</b> | <b>16</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>94</b>  |

| Officer Actions                | OCT       | NOV       | DEC       | JAN       | FEB       | MAR       | APR       | MAY      | JUN      | JUL      | AUG      | SEP      | YTD Totals |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|----------|------------|
| Verbal Warnings                | 5         | 8         | 5         | 4         | 4         | 5         | 5         |          |          |          |          |          | 36         |
| Complied/Resolved              | 5         | 8         | 5         | 4         | 4         | 5         | 5         |          |          |          |          |          | 36         |
| 10 Day Notice (Letters Mailed) | 22        | 5         | 10        | 6         | 4         | 6         | 8         |          |          |          |          |          | 61         |
| Extension Granted              | 4         | 2         |           | 2         |           | 2         | 2         |          |          |          |          |          | 12         |
| Complied/Resolved              | 2         | 2         |           | 6         | 4         |           | 2         |          |          |          |          |          | 16         |
| Citations Issued               | 3         |           | 2         | 1         |           | 2         | 2         |          |          |          |          |          | 10         |
| Stop Work Order                |           |           |           |           |           |           |           |          |          |          |          |          | 0          |
| Misc                           |           |           |           |           |           |           |           |          |          |          |          |          | 0          |
| <b>ITEM TOTALS</b>             | <b>41</b> | <b>25</b> | <b>22</b> | <b>23</b> | <b>16</b> | <b>20</b> | <b>24</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>171</b> |

