



## AGENDA

### CITY COUNCIL MEETING OCTOBER 30, 2012 @ 6:00 PM

Notice is hereby given the City Council for the City of Parker will meet in a Special Meeting on Tuesday, October 30, 2012 at 6:00 P.M. at Parker City Hall, 5700 E. Parker Road, Parker, Texas 75002.

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

#### **EXECUTIVE SESSION 6:00 PM – 7:00 PM**

Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

1. RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:
  - a. Govt. Code 551.074 – Personnel Matters - To deliberate the employment, evaluation, reassignment or duties of one or more members of the police department.
2. RECONVENE REGULAR MEETING.
3. ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

#### **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.

**PUBLIC COMMENTS** The City Council invites any person with business before the Council 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

4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES FOR OCTOBER 16, 2012. [SMITH]
5. PUBLIC MEETING HEARING ON SB100 –CHANGES PROPOSED FOR THE CITY OF PARKER COUNCIL TERMS AND ELECTIONS AS A RESULT OF CHANGES TO THE TEXAS ELECTION CODE. [MARSHALL/LEVINE]
6. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON CHANGES TO THE CITY OF PARKER COUNCIL TERMS AND ELECTIONS AS A RESULT OF CHANGES TO THE TEXAS ELECTION CODE. [LEVINE]
7. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-397 APPROVING THE CITY 2012-2013 INVESTMENT POLICY. [BOYD]
8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012 -398 APPOINTING THE 2012 -2013 CHIEF INVESTMENT OFFICER AND COMMITTEE. [BOYD]
9. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-399 APPOINTING THE AUTHORIZED CITY REPRESENTATIVES FOR TEXPOOL ACCOUNTS. [BOYD]
10. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-400 AMENDING THE SEWER SERVICE CONTRACT WITH NORTH TEXAS MUNICIPAL WATER DISTRICT. [FLANIGAN]
11. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE 688 AMENDING MUNICIPAL CODE OF ORDINANCES CHAPTER 97 REGARDING THE PARKS AND RECREATION COMMISSION. [SHEPHERD]

## ROUTINE ITEMS

12. FUTURE AGENDA ITEMS
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 October 26, 2012 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

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Carrie L. Smith, TRMC, CMC  
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:		Meeting Date: October 30, 2012
Budgeted Amount:		Department/ Requestor:
Fund Balance-before expenditure:		Prepared by: Smith
Estimated Cost:		Date Prepared: 10/25/2012
Exhibits:	1. Proposed Meeting Minutes for October 30, 2012	

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES  
FOR OCTOBER 16, 2012. [SMITH]

### SUMMARY

If you should have any questions, comments or changes to the meeting minutes you may send them to me via email or give me a call and I will address the issues prior to the meeting.

Thank you,  
Carrie

### POSSIBLE ACTION

Approve or Table

Inter – Office Use			
Approved by:			
Department Head:	<i>Carrie Smith</i>	Date:	10/25/2012
City Attorney:		Date:	
City Administrator:	<i>Tiffy Hay</i>	Date:	10/26/12

**MINUTES**  
**CITY COUNCIL MEETING**  
**OCTOBER 16, 2012**

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

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

Mayor Marshall called the meeting to order at 6:00 p.m. Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor were present. A quorum was present.

Staff Present: City Administrator Jeff Flanigan, City Secretary Carrie Smith, Finance/H.R. Manager Johnna Boyd, Police Chief Tony Fragoso and Fire Chief Mike Sheff.

**EXECUTIVE SESSION 6:00 PM – 7:00 PM**

Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

1. RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:
  - a. Govt. Code 551.071 and 551.074— “Confidential legal advice regarding City obligations or responsibility for public and private right of ways.”

Mayor Marshall recessed the regular meeting at 6:00 p.m.

2. RECONVENE REGULAR MEETING.

Mayor Marshall reconvened the regular meeting at 7:09 p.m.

3. ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

No action was taken.

**PLEDGE OF ALLEGIANCE**

The American Pledge was led by resident Andy Piziali.  
The Texas Pledge was led by Allied Representative Brenda Lalonde.

**PUBLIC COMMENTS** The City Council invites any person with business before the Council to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

No Comments.

## **INDIVIDUAL CONSIDERATION ITEMS**

### **4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON MEETING MINUTES FOR SEPTEMBER 18, 2012. [Smith]**

Amendments:

Page 2, Item 6 insert *requested* “Mayor Pro Tem Levine *requested* confirmation...”.

Page 3, Item 8, 5<sup>th</sup> paragraph correct spacing

Page 3, Item 8, 6<sup>th</sup> paragraph delete *would* and insert *may* “...adopt a place system, but *may* make sense...”.

Page 4, 1<sup>st</sup> paragraph change *proving* to *providing*.

Page 4, 5<sup>th</sup> paragraph change 12 to 31. “...December 31, 2012”

Page 4, Item 10, 1<sup>st</sup> paragraph add apostrophe to year’s.

MOTION: Councilmember Leamy moved to approve the minutes as amended.

Councilmember Taylor seconded with Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor voting for. Motion carried 5-0.

### **5. PRESENTATION ON JAPAN-AMERICA SUMMIT. [Marshall]**

Resident Alyson Johnson and Japan Summit host family participant, prepared and shared a video of event activities. There were 6 Parker families that hosted 11 Japanese visitors; the Hargroves, Johnsons, Caves, Pizialis, Loughlins and Cordinas. Parker was 1 of 15 host cities.

### **6. PRESENTATION OF QUARTERLY REPORT BY ALLIED WASTE. [Flanigan]**

Allied Waste/Republic Service, Municipal Marketing Manager Brenda Lalonde reviewed the quarterly report. (See Exhibit 6A)

There was discussion of changing the bulk pickup service to monthly pickup during the third week of the month due to the large amount of bulk waste being picked up. Allied’s goal is to complete each pickup by Friday. An additional boom truck will be available for Parker. The new policy will include having an Allied supervisor drive the City on the Wednesday before the scheduled pickup and then notifying City staff of boom pile locations. There will not be a cost increase to the City for the additional pickups.

There was discussion regarding illegal dumping using bulk service. City Administrator Flanigan and Allied are working to illuminate any illegal dumping to

save cost to everyone. Notice is to be posted on the website and in the newsletter advising residents the bulk service is for residential bulk items and brush only.

7. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESEARCHING TREE PROGRAMS ON FM 2551 WITH TXDOT. [Eleanor Evans/Flanigan]

Resident Eleanor Evans, 3507 Hogge Road, requested authority to pursue participation in the Texas Department of Transportation (TXDOT) Landscaping Cost Share Program. The program shares the cost of landscape on state highways between a sponsor, the city and TXDOT. The City participated in the program to landscape Parker Road and was successful with great citizen participation. Hogge Road/FM2551 will be a 6-lane divided highway intersecting with Parker Road and be approximately 1-mile long. She feels landscaping will maintain the rural appearance along with many other benefits to the City. The City of Murphy is planning to participate in the program. TXDOT District Representative Mr. Patrick Hays has been out of his office, but his office has promised to send the latest brochure on the program to Ms. Evans. If this request is granted, she will work with the City Administrator and Council to include sleeves for irrigation during construction. On Parker Road, the sponsor paid 25%, City paid 25% and State 50% totaling \$60,000.00. The City hired landscape architect, Elizabeth Pope, to design the landscaping on Parker Road and she is currently available to assist with this project as well.

MOTION: Councilmember Leamy moved to authorize Ms. Eleanor Evans to work with TXDOT and the City on the Landscape Cost Share Program. Councilmember Pettle seconded with Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor voting for. Motion carried 5-0.

8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON SB 100 CITY GENERAL ELECTIONS. [Levine]

The Council has heard from a few citizens and there are mixed opinions and confusion about the City's options. Council discussed the following options.

- When to hold elections - even years, odds years, all years;
- Will the terms of office remain as two-years, or be changed to four-years? (requires voter approval)
- Will the terms be staggered, as we do now, or unstaggered with everyone facing election at the same time?
- If changed to odd year only elections, with two-year terms, should we adopt a place system whereby a candidate runs for a place but is still elected "at large" like the mayor currently is?
- If six people file to run in place 1, but no one files to run in place 2, then only place 1 has to face election, for example.

Mayor Pro Tem Levine moved to approve unstaggered seats with two-year terms, one-year holdover and a place system. Councilmember Sumrow seconded.

The place system could result in a run-off election, which would be an additional cost Council discussion ensued. Mayor Pro Tem Levine and Councilmember Sumrow withdrew their motion and second. Council called for a special meeting to be held October 30, 2012 to take input from the public. Council plans to take action that evening.

9. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-395 ADOPTING AN OFFICIAL NEWSPAPER. [Smith]

There was a brief discussion related to the Dallas Morning News qualifying to meet the state requirements for an official newspaper to be mailed in a city's county. It was recommended Council move ahead with adopting the resolution subject to receiving a statement from Dallas Morning News that they do meet the state requirements.

MOTION: Councilmember Leamy moved to approve Resolution 2012-395 subject to legal review. Councilmember Pettle seconded with Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor voting for. Motion carried 5-0.

10. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE 687 ADOPTING A CITY FEE SCHEDULE. [Boyd].

City Administrator Flanigan noted a correction to page 4, solid waste fees on the proposed schedule.

Changes from last years fee schedule included:

- Adding a \$20 fee for annual renewal of specific use permits.
- Adding the cost of trees for the Living Legacy Tree Program.

Red Crepe Myrtle	\$375.00
White Crepe Myrtle	\$375.00
Bald Cypress	\$500.00
Cedar Elm	\$500.00
Live Oak	\$500.00
Chinquapin Oak	\$500.00
Chinese Pistache	\$650.00

- Increasing a firework permit from \$50 to \$100.

Animal control fees are charged by Murphy and are just pass through fees. The City is charged per call by Murphy. The fees on the schedule are not collected by Parker.

Mayor Marshall had concerns with the development fees covering the City's costs. The item was tabled to have staff further research development fees using the recent developments as a bench mark to ensure the city's cost would be covered

**11. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON USE OF THE CITY LOGO BY THIRD PARTIES. [Sumrow]**

Councilmember Sumrow requested review of the use of the City's logo. She questioned if access should be provided to an approved City logo on the website for people/organizations to use when doing business with the City of Parker and if people should be allowed to copy the unapproved logo.

Her recommended actions were to add an approved version of the City logo to the website that may be used by individuals working with the City of Parker and to lock down the current irregular, website logo so it cannot be used by a third party.

Councilmember Sumrow discussed with City Attorney Shepherd the possibility of putting the registered logo on the website with a standards of use agreement. The downloaded logo could show the registered mark ® along with a registered statement. The approved logo would be available to all City boards and commissions for use on reports, advertisements, etc. It was agreed the use of the logo on Facebook or social media sites should have Council approval and must be locked down to prevent third party usage.

There was discussion if the registered mark ® should be incorporated into the actual logo for use by the City as well as third parties. City staff was asked to do some research on the use and protection of a registered mark and present some guidelines back to Council for the use of the City logo.

**MOTION:** Councilmember Leamy moved to lock down the logo on the City website. Councilmember Sumrow seconded with Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor voting for. Motion carried 5-0.

**12. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-396, AMENDING RESOLUTION 2012-390 APPOINTING ALTERNATES, OFFICERS, AND COUNCIL LIAISON TO THE PARKS AND RECREATION COMMISSION. [Flanigan]**

Parks and Recreation Commission met on October 10, 2012 and their recommendation for officers is as follows:

Chairperson Joe Sterk  
Vice Chairperson Cindy Stachiw  
Secretary Julie Ellison

Their recommendation for Council Liaison is Lee Pettle.

There are two alternate vacancies to be filled as Ordinance 608 allows for three alternates and currently there is one alternate, Brooke Asiatico. The Commission is requesting the Ordinance to be amended to add a fourth alternate position. Phyllis Houx stepped down as a voting member, but would like to remain involved as an

alternate. The Commission conducted candidate interviews and agreed all candidates were well qualified and did not want to turn any of them away. They are recommending the appointment of the following alternates, with two-year terms expiring in May 2014.

Alternate One – Brooke Asiatico

Alternate Two - Phyllis Houx

Alternate Three - Sandy Waites

Alternate Four - Frank Guynn

All three recommended alternates may be appointed by Resolution 2012-390; however, the fourth alternate's term will not begin until Ordinance 608 is amended.

MOTION: Councilmember Leamy moved to approve Resolution 2012-390 and to amend Ordinance 608 approving a fourth alternate position. Councilmember Taylor seconded with Councilmembers Leamy, Sumrow, Levine, Pettle and Taylor voting for. Motion carried 5-0.

There was discussion on the duties of the Council liaison. The liaison is required to approve any special meeting and to communicate between the Council and Parks and Recreation Commission for mutual understanding and cooperation between the two.

### 13. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON A MORATORIUM ON HIGH GRASS ORDINANCE FOR A PERIOD OF SIX MONTHS. [Planning and Zoning/Flanigan]

There are approximately 30 to 50 complaints on high grass per year. City Administrator Flanigan noted the City has a blanket Ordinance that does not always serve the whole City and the staff must use some discretion as to the use of the property. Subdivisions with an HOA are monitored by the association and are much easier to control. Properties without an HOA are more difficult. Some properties serve as agricultural and are baled while others plant floriculture and do not mow until the flowers have gone dormant and the seeds drop.

The Commission agreed the ordinance should be modified to address variances in usage. Commissioner Stone will research the issues and bring his results to the Commission before asking City Attorney Shepherd to rewrite the ordinance.

The Commission would like to ask the Council to put a moratorium on the enforcement of 12-inch grass restrictions in the current ordinance for 6-months to allow the Commission to complete their research. Going into the fall and winter months, this should not be an issue.

It was discussed and clarified that enforcement must continue if obstruction of visibility becomes an issue as this is a safety hazard.

MOTION: Mayor Pro Tem Levine moved to approve a four (4) month moratorium on enforcement of high-grass, beginning October 16 and ending February 15. Councilmember Leamy seconded with Councilmembers Leamy, Levine, Pettle and Taylor voting for. Sumrow opposed. Motion carried 4-1.

Citations currently written will have to comply. Citations will not be issued for the next four months.

## **ROUTINE ITEMS**

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### **14. FUTURE AGENDA ITEMS**

- Logo use guidelines
- Ordinance amending Parks and Recreation Ordinance 608
- SB100 Public Hearing – October 30

### **15. UPDATES**

- a. Update on Planning and Zoning recommendation on gates and fences. [Flanigan] Planning and Zoning recommends no changes on the gates and fences ordinances.
- b. Update on Living Legacy Tree Program.

The Parks and Recreation Commission met, discussed the exhibits and approved the language changed by Council. Staff prepared a program brochure, which they approved as well.

- c. Department Reports – Animal Control, Police, Building/Code, Fire, Finance, Website

Animal Control report was provided to the Council.

Police Chief Fragoso noted the report included a comparison of this year to the previous year.

Fire Department submits their report quarterly.

Finance report was emailed to Council.

### **16. ADJOURN**

Mayor Marshall adjourned the meeting at 9:38 p.m.

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Mayor Z Marshall

ATTESTED:

APPROVED on the \_\_\_\_\_ day of  
\_\_\_\_\_, 2012.

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City Secretary Carrie L. Smith, TRMC, CMC

EXHIBITS  
6A – Allied Quarterly Report  
8A – SB 100 Presentation

## City of Parker



### Jan 2012 – Sept 2012 Report

ALLIED WASTE SERVICES OF PLANO



## Drive By's 2012



### Homes Serviced:

1<sup>st</sup> qtr: 3512

2<sup>nd</sup> qtr: 3566

3<sup>rd</sup> qtr: 3608

4<sup>th</sup> qtr:

### Drive by's

1<sup>st</sup> qtr: 37,438

2<sup>nd</sup> qtr: 34,448

3<sup>rd</sup> qtr: 38,461

4<sup>th</sup> qtr:



## YTD tons 2012



PARKER	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Solid Waste	337	427	355	
Recycle	109	111	106	
Bulk/Brush	128	47	319	
<b>TOTALS</b>	<b>574</b>	<b>585</b>	<b>780</b>	



## YoY Diesel Cost / gallon

1/c

### 2011

1<sup>st</sup> qtr \$3.57

2<sup>nd</sup> qtr: \$3.95

3<sup>rd</sup> qtr: \$3.82

4<sup>th</sup> qtr: \$3.78

2011 Avg. / gallon \$3.78

2010 Avg. / \$2.94

2009 RFP Bid \$2.60 /Act '09 \$2.41

### 2012

1<sup>st</sup> qtr: \$3.89

2<sup>nd</sup> qtr: \$3.86

3<sup>rd</sup> qtr: \$3.84

4<sup>th</sup> qtr: \$

Avg cost/gallon \$ 3.86



## Customer Satisfaction 2012



Jan - Mar: 2 calls / 3512

Apr - Jun: 6 calls / 3566

Jul - Sept: 6 calls / 3608

Oct - Dec:



## Diversion Rates 2012



1<sup>st</sup> qtr 24.44%

2<sup>nd</sup> qtr 20.63%

3<sup>rd</sup> qtr 22.99%

4<sup>th</sup> qtr

YTD Diversion Rate: 22.69%

Parker 2011 diversion rates was 22.23%

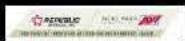


## Recom



Monthly Brush/Bulk Service

Move Brush Service to 3<sup>rd</sup> Week



THE INDUSTRY IS RECYCLING

THE INDUSTRY IS RECYCLING

Thank You  
CITY OF PARKER



## Senate Bill 100

What does it mean for future Parker General Elections?



## Annual May Elections

- Continue to hold elections each May
- Rent voting machines
- City staff conduct election in even years



## May Election in Odd Years

- Un-stagger seat terms
- Adopt a "place" system



## Options

- Maintain status quo and rent equipment for even year elections.
- Un-stagger Council terms and move to odd year elections.
- Change terms of office to 3 or 4 years and keep staggered terms-Would require voter approval.



## Annual May Elections

**Pros**

- Additional Saturday voting can be conducted.
- No disruption or change in election process
- No chance of complete turnover of council as a result of single election

**Cons**

- Only one early voting location for voters in even numbered years
- No County support in conducting the election in even numbered years
- Cost of election process in even numbered years



## May Election Odd Years

**Pros**

- Reduced election costs since elections would be held only once every two years instead of annually (\$8000 - \$10,000)
- Continue to have Collin County support and provide equipment for all elections
- PISD has adopted this schedule

**Cons**

- Create the possibility of having an entirely new governing body at one time as a result of a single election



## Un-Stagger Officials Elected Terms

- Adopt a resolution providing for the election of all members of the governing body at the same election.
- All members of the Council and the Mayor would be elected in May of odd numbered years.
- The terms expiring in May 2014 would holdover in office until May 2015. Then, in May 2015, a general election would be called for the purpose of electing the Mayor and all 5 Council members.



## Creation of Place System

- A related, but not required, form of ordinance to allow Parker to adopt the Place system. This can reduce the election to only those places which are contested, as opposed to all council and challengers running against one another. This could be helpful if the Parker council decided to "unstagger" the terms. Only those incumbents who drew opposition for their Place, or places which were vacant and had more than one candidate, would have a contested election. Places that drew no opposition would not have to campaign against all other council candidates, as they do today. The Place system does not specifically impact the Mayor's position.



## 3 or 4 Year Terms

- Must have voter approval. Could put on May 2013 ballot.



## 3 or 4 Year Terms

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> <li>• Staggered terms</li> <li>• Election every other odd year for 4 year terms.</li> <li>• If 3 year staggered terms, no election every three years beginning in 2015.</li> <li>• No election costs every even year</li> </ul>	<ul style="list-style-type: none"> <li>• Longer terms</li> <li>• No term limits currently</li> </ul>





## Council Agenda Item

Budget Account Code:	N/A	Meeting Date:	October 30, 2012
Budgeted Amount:	N/A	Department/ Requestor:	Council
Fund Balance-before expenditure:	N/A	Prepared by:	Marshall/Levine
Estimated Cost:	N/A	Date Prepared:	10/23/2012
Exhibits:	1) PowerPoint		

### AGENDA SUBJECT

PUBLIC HEARING ON SB100 –CHANGES PROPOSED FOR THE CITY OF PARKER COUNCIL TERMS AND ELECTIONS AS A RESULT OF CHANGES TO THE TEXAS ELECTION CODE. [MARSHALL/LEVINE]

### SUMMARY

The following notice was emailed to residents and posted on the website homepage. Comments received by City Secretary will be provided at the meeting.

### PUBLIC HEARING

Please note that on October 30 at 7:00 p.m. at City Hall, City Council is holding a special meeting in order to gather information from YOU on how you want your elections conducted in the future. Due to Senate Bill 100, we may have to make some changes in our elections and a decision must be made by 12/31/12.

Briefly the issues are:

- when are we going to hold elections - even years, odds years, all years
- will the terms of office remain as two years, or change to four years-(requires voter approval)
- will the terms be staggered as we do now or unstaggered with everyone facing election at the same time- odd year only elections with two year terms
- should we adopt a place system whereby a candidate runs for a place but is still elected "at large" like the mayor currently is. If six people file to run in place 1, but no one files to run in place 2, then only place 1 has to face an election, for example.

Some pros and cons of each option, which have been raised:

### **Annual May Elections**

- Pros
  - No disruption or change in election process
  - No chance of complete turnover of council as a result of single election
- Cons
  - Only one early voting location for voters in even numbered years
  - No County support in conducting the election in even numbered years
  - Cost of election process in even numbered years

### **May Election Odd Years**

- Pros
  - Reduced election costs since elections would be held only once every two years instead of annually (\$8000 - \$10,000)
  - Continue to have Collin County support and provide equipment for all elections
  - PISD has adopted this schedule (One voting location for both elections)
- Cons
  - Create the possibility of having an entirely new governing body at one time as a result of a single election
  - Un-staggered Council terms

### **4-Year Terms (Requires Voter Approval)**

- Pros
  - Staggered terms
  - Election every other odd year
  - No election costs every even year
- Cons
  - Longer terms
  - No term limits currently

Please come to this special meeting, ask any questions you might have and voice your opinions and concerns. We want to hear from you. If you cannot be present, you may email your questions and/or opinions to City Secretary Carrie Smith.

Thank You.

Mayor Marshall  
Mayor Pro Tem Levine  
Councilmember Sumrow

Councilmember Leamy  
Councilmember Pettle  
Councilmember Taylor

Inter – Office Use			
Approved by:		Date:	
Department Head:			
City Attorney:			
City Administrator:			10-26-12

## Senate Bill 100

What does it mean for future Parker General Elections?



## Annual May Elections

- Continue to hold elections each May
- Rent voting machines
- City staff conduct election in even years



## May Election in Odd Years

- Un-stagger seat terms
- Run at-large or Adopt a "place" system



## Options

- Maintain status quo and rent equipment for even year elections.
- Un-stagger Council terms and move to odd year elections.
- Change terms of office to 4 years and keep staggered terms-Would require voter approval.



## Annual May Elections

<p><b>Pros</b></p> <ul style="list-style-type: none"> <li>Additional Saturday voting can be conducted.</li> <li>No disruption or change in election process</li> <li>No chance of complete turnover of council as a result of single election</li> </ul>	<p><b>Cons</b></p> <ul style="list-style-type: none"> <li>Only one early voting location for voters in even numbered years</li> <li>No County support in conducting the election in even numbered years</li> <li>Cost of election process in even numbered years</li> </ul>
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## May Election Odd Years

<p><b>Pros</b></p> <ul style="list-style-type: none"> <li>Reduced election costs since elections would be held only once every two years instead of annually (\$8000 - \$10,000)</li> <li>Continue to have Collin County support and provide equipment for all elections</li> <li>PISD has adopted this schedule</li> </ul>	<p><b>Cons</b></p> <ul style="list-style-type: none"> <li>Create the possibility of having an entirely new governing body at one time as a result of a single election</li> </ul>
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## Un-Stagger Officials Elected Terms

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- The terms expiring in May 2014 would holdover in office until May 2015. Then, in May 2015, a general election would be called for the purpose of electing the Mayor and all 5 Council members.



## Creation of Place System

- A related, but not required, form of ordinance to allow Parker to adopt the Place system. This can reduce the election to only those places which are contested, as opposed to all council and challengers running against one another. This could be helpful if the Parker council decided to "unstagger" the terms. Only those incumbents who drew opposition for their Place, or places which were vacant and had more than one candidate, would have a contested election. Places that drew no opposition would not have to campaign against all other council candidates, as they do today. The Place system does not specifically impact the Mayor's position.



## 4 Year Terms

- Must have voter approval. Could put on May 2013 ballot.



## 4 Year Terms

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> <li>• Staggered terms</li> <li>• Election every other odd year for 4 year terms.</li> <li>• No election costs every even year</li> </ul>	<ul style="list-style-type: none"> <li>• Longer terms</li> <li>• No term limits currently</li> </ul>





## Council Agenda Item

Budget Account Code:	N/A	Meeting Date:	October 30, 2012
Budgeted Amount:	N/A	Department/ Requestor:	Council
Fund Balance-before expenditure:	N/A	Prepared by:	Levine
Estimated Cost:	N/A	Date Prepared:	
Exhibits:			

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON CHANGES TO THE CITY OF PARKER COUNCIL TERMS AND ELECTIONS AS A RESULT OF CHANGES TO THE TEXAS ELECTION CODE. [LEVINE]

### SUMMARY

A resolution will need to be prepared if any changes to the current process are approved.

Below are the proposed questions from the previous meetings:

- 1) When are we going to hold elections - even years, odds years, or all years?
- 2) Will the terms of office remain as two years, or change to four years?
- 3) Will the terms be staggered or unstaggered?
- 4) Should we adopt a place system?

### POSSIBLE ACTION

Approve "City Attorney to prepare a resolution adopting changes in City elections as follows; hold elections in \_\_\_\_ years, terms of office of \_\_\_\_ years, terms (staggered or unstaggered)\_\_\_\_\_; and adopting (or not) a place system."

Inter - Office Use			
Approved by:			
Department Head:		Date:	
City Attorney:		Date:	
City Administrator:	<i>Tiffy Hay</i>	Date:	10-26-12



## Council Agenda Item

Budget Account Code:	N/A	Meeting Date:	October 30, 2012
Budgeted Amount:	N/A	Department/ Requestor:	Finance
Fund Balance-before expenditure:	N/A	Prepared by:	J Boyd
Estimated Cost:	N/A	Date Prepared:	10/24/2012
Exhibits:	1) Change Summary 2) Proposed Resolution 2012-397 3) Proposed Investment Policy		

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-397 APPROVING THE 2012-2013 CITY INVESTMENT POLICY.

### SUMMARY

Chapter 2256 of the Texas Government Code, Public Funds Investment Act, mandates the annual review of the City Investment Policy.

We made three minor changes to the policy – See Summary Sheet attached.

### POSSIBLE ACTION

Approve, Deny or Table

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Inter – Office Use			
Approved by:			
Department Head:	<i>Johanna Boyd</i>	Date:	10/24/12
City Attorney:		Date:	
City Administrator:	<i>Tiffy Hay</i>	Date:	10-26-12

## Article V – Responsibilities and Control

### E. Investment Training Requirements

The Investment Officer, and such other Investment Officials~~all members of the Investment Committee~~ 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~~all members of the Investment Committee~~ shall receive not less than ten hours of instruction in their investment responsibilities at least once ~~during each two year period. The in every two-year period that begins on the first day of the fiscal year. 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 VIII – Portfolio and Investment Asset Parameters

### D (3) – Add CDARS to the list with an 80% maximum limit

#### Glossary – Add definition of CDARS as follows:

Certificate of Deposit Account Registry Service – A program that allows the public to spread a depositor to deposit funds at one bank in excess of the FDIC insured limit, with the excess funds being divided and deposited in other banks in the CDARS program. money around various banks. The purpose of CDARS is to help people depositors who invest in money market accounts or certificate of deposits or (CD's) to stay below FDIC insurance limits at any given bank. Usually, to avoid exceeding FDIC limits at a single bank, consumers deposit their money in different banks. CDARS is a program that eliminates the need to go from bank to bank in order to deposit money, and is comprised of a network of banks.

**RESOLUTION NO. 2012-397**  
*(2012-2013 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 OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT LIMITED CHANGES WERE MADE TO THE INVESTMENT POLICY AND NO CHANGES WERE MADE TO THE INVESTMENT STRATEGIES; THEREFORE THE CITY OF PARKER INVESTMENT POLICY OF 2011-2012 IS ADOPTED, AS AMENDED, AS THE CITY OF PARKER 2012-2013 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 2256.005, Texas Government Code, the City Council of the City of Parker, Texas by resolution adopted an investment policy; and

**WHEREAS**, Section 2256.005, Texas Government 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 limited changes were made to the investment policies, and no changes were made to the investment strategies of the Investment Policy attached as Exhibit "A" hereto.

**SECTION 2.** The City of Parker 2012-2013 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 \_\_\_\_\_ day of October, 2012.

CITY OF PARKER, TEXAS

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Z Marshall, Mayor

ATTEST:

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Carrie L. Smith, City Secretary

APPROVED AS TO FORM:

---

James E. Shepherd, City Attorney

# **City of Parker**

## **2012-2013 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 2012-2013 Investment Policy addresses the methods, procedures and practices that 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 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 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, and 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 all members of the Investment Committee 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, all members of the Investment Committee shall receive not less than ten hours of instruction in their investment responsibilities at least once in every two-year period that begins on the first day of the fiscal year. 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) Bankers 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%
• CDARS.....	80%

- (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.

**CDARS:** **Certificate of Deposit Account Registry Service** – A program that allows a depositor to deposit funds at one bank in excess of the FDIC insured limit, with the excess funds being divided and deposited in other banks in the CDARS program. The purpose of CDARS is to help depositors who invest in money market accounts or certificate of deposits (CD's) to stay below FDIC insurance limits at any given bank. Usually, to avoid exceeding FDIC limits at a single bank, consumers deposit their money in different banks. CDARS is a program that eliminates the need to go from bank to bank in order to deposit money, and is comprised of a network of banks.

**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-through 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:	October 30, 2012
Budgeted Amount:	N/A	Department/ Requestor:	Finance
Fund Balance-before expenditure:	N/A	Prepared by:	J Boyd
Estimated Cost:	N/A	Date Prepared:	10/24/12
Exhibits:	1) Proposed Resolution 2012-398		

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012 - 398 APPOINTING THE 2012 -2012 INVESTMENT OFFICER AND COMMITTEE.  
[BOYD]

### SUMMARY

Chapter 2256 of the Texas Government Code mandates the annual appointment of the City Chief Investment Officer. The resolution also appoints members to the investment committee.

### POSSIBLE ACTION

Approve, Deny or Table

Inter - Office Use			
Approved by:			
Department Head:	<i>Johnna Boyd</i>	Date:	10/24/12
City Attorney:		Date:	
City Administrator:	<i>Tiffy Flory</i>	Date:	10/26/12

**RESOLUTION NO. 2012-398**  
*(2012-2013 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.

**SECTION 2. Appointment of Committee Members**

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

	TITLE
Scott Levine	Mayor Pro Tem
Jeff Flannigan	City Administrator
Z Marshall	Chief Investment Officer and Mayor

**DULY PASSED AND APPROVED** by the City Council of the City of Parker, Collin County, Texas on this \_\_\_\_\_ day of October, 2012.

**CITY OF PARKER:**

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Z Marshall, 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:	October 30, 2012
Budgeted Amount:	N/A	Department/ Requestor:	Finance
Fund Balance-before expenditure:	N/A	Prepared by:	J Boyd
Estimated Cost:	N/A	Date Prepared:	10/25/12
Exhibits:	1) Proposed Resolution 2012-399		

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-399 AMENDING THE AUTHORIZED CITY REPRESENTATIVE FOR TEXPOOL ACCOUNTS. [BOYD]

### SUMMARY

Amend authorized signatories by deleting individuals no longer associated with the City and adding new signatories to include the Mayor Pro-Tem, current City Administrator and Finance Manager.

### POSSIBLE ACTION

Approve, Table, or Deny

Inter – Office Use			
Approved by:			
Department Head:	<i>Johanna Boyd</i>	Date:	10/25/12
City Attorney:		Date:	
City Administrator:	<i>Tiffay Hay</i>	Date:	10/26/12



## RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, The City of Parker

(Participant Name & Location Number)

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

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

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

NOW THEREFORE, be it resolved as follows:

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

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

1. Name: Z Marshall Title: Chief Investment Officer/Mayor

Phone/Fax/Email: (972) 442-6811

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

2. Name: Jeffry Flanigan Title: City Administrator

Phone/Fax/Email: (972) 442-6811

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

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX - REP

TexPool Participant Services • Federated Investors Inc  
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • [www.texpool.com](http://www.texpool.com) • 1-866-839-7665

3. Name: Scott Levine Title: Mayor Pro-Tem  
Phone/Fax/Email: (972) 442-6811  
Signature: \_\_\_\_\_

4. Name: Johnna Boyd Title: Finance Manager  
Phone/Fax/Email: (972) 442-6811  
Signature: \_\_\_\_\_

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

Name Johnna Boyd

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

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

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 30th day October, 20   .

NAME OF PARTICIPANT: City of Parker

BY: \_\_\_\_\_  
Signature \_\_\_\_\_  
Z Marshall \_\_\_\_\_  
Printed Name \_\_\_\_\_  
Chief Investment Officer/Mayor \_\_\_\_\_  
Title \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Signature \_\_\_\_\_  
Carrie L. Smith \_\_\_\_\_  
Printed Name \_\_\_\_\_  
City Secretary \_\_\_\_\_  
Title \_\_\_\_\_

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

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TexPool Participant Services • Federated Investors Inc  
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • [www.texpool.com](http://www.texpool.com) • 1-866-839-7665

TEX – REP



An Investment Service for Public Funds

## DELETION FORM FOR AUTHORIZED REPRESENTATIVES

An Investment Service for Public Funds

*LOCATION NUMBER:	77292	*EFFECTIVE DATE:	10/1/2012
*PARTICIPANT NAME:	City of Parker		

<b>PART II</b> <b>DELETION</b> - Please enter the names of the individuals to be deleted as Authorized Representatives.			
PRINTED NAME		PRINTED NAME	
1.	Joe Cordina	3.	
2.	Dena Daniel		Inquiry Only Representative Teresa Goldgar

<b>PART III</b> <b>PRIMARY CONTACT</b> - The person listed above was the Primary Contact. Please provide the name of the Authorized Representative that will be the Primary Contact. The Primary Contact is the individual who will receive the daily transaction communications, monthly statements, monthly newsletter, TexPool Updates and other TexPool mailings.			
Name:	Johnna Boyd		
Phone, Fax, Email:	(972) 442-6811 x232; jboyd@parkertexas.us; (972)442-2894 Fax		

<b>PART III</b> <b>INQUIRY ONLY</b> - If the person deleted above was an inquiry only representative, please specify below if you wish to add another individual. This limited representative cannot perform financial transactions.			
Name:			
Phone, Fax, Email:			

<b>PART IV</b> <b>APPROVALS</b> - Please list the names of the individuals who are currently Authorized Representatives and who authorize the deletion(s) of the individual(s) above.			
PRINTED NAME	TITLE	SIGNATURE	
Z Marshall	Investment Officer		
Jeffry Flanigan	City Administrator		

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED \*REQUIRED FIELDS TEX-REP



## Council Agenda Item

Budget Account Code:	Meeting Date: October 30, 2012
Budgeted Amount:	Department/ Requestor:
Fund Balance-before expenditure:	Prepared by: J Flanigan
Estimated Cost:	Date Prepared: 10/25/2012
Exhibits:	1) Letter from NTMWD 2) Proposed Resolution 2012-400 3) Proposed Amended Contract

### AGENDA SUBJECT

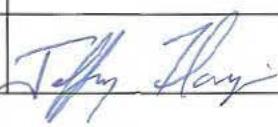
CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION 2012-400 AMENDING THE SEWER SERVICE CONTRACT WITH NORTH TEXAS MUNICIPAL WATER DISTRICT. [FLANIGAN]

### SUMMARY

This is an amendment to the existing sewer contract to allow the additional volume for the Lovejoy School, as well as continue service for Parker Lake Estates Phases I,II,III, and the Bedell Tract.

### POSSIBLE ACTION

Approve, Table or Deny

Inter – Office Use			
Approved by:			
Department Head:		Date:	
City Attorney:		Date:	
City Administrator:		Date:	10/26/12



**NORTH TEXAS MUNICIPAL  
WATER DISTRICT**

*Regional Service Through Unity*

May 30, 2012

Mr. Jeff Flanigan  
City Administrator  
City of Parker  
5700 East Parker Road  
Parker, TX 75002

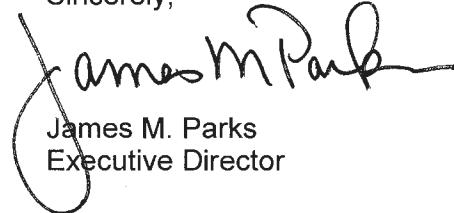
Re: City of Parker / Lovejoy Independent School District Request for Sewer Service

Dear Mr. Flanigan:

The NTMWD received your letter dated February 15, 2012 requesting an amendment to the City of Parker's current Regional Wastewater Customer Service Agreement to allow Parker to accept wastewater from the Lovejoy Independent School District's new middle school on West Lucas Road, located in the City of Lucas. The NTMWD has evaluated the request and determined that sufficient capacity is available in the existing system to process the request and proceed with the requested amendment to the existing wastewater service agreement. Two copies of the amended agreement have been provided as an attachment to this letter for your review. If you find the attached amended agreement acceptable please execute and return both copies to the NTMWD so processing of the request can be completed.

As always, it is a pleasure to have the opportunity to work with the City of Parker in the pursuit of future solutions in regional planning efforts. If you need any additional information or have any questions, please contact Joe Stankiewicz at (972) 442-5405 or my office directly.

Sincerely,



James M. Parks  
Executive Director

JMP/MB/kr

Attachment: Regional Wastewater Customer Service Agreement

**RESOLUTION NO. 2012-400**  
*(NTMWD – Wastewater Treatment – Third Amendment)*

**A RESOLUTION OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, PROVIDING FOR THE EXECUTION OF A REGIONAL WASTEWATER CUSTOMER SERVICE AGREEMENT AMENDMENT TO THE AGREEMENT FOR CUSTOMER SERVICE WITH THE CITY OF PARKER.**

**WHEREAS**, the City of Parker (“Parker”) is authorized by state law to execute an interlocal agreement for wastewater customer service with the North Texas Municipal Water District (“NTMWD”); and

**WHEREAS**, NTMWD owns and operates a Regional Wastewater Treatment System and an Upper East Fork Regional Interceptor System that can provide customer (nonmember) service in accordance with the two systems’ regional contracts and NTMWD District Policy No. 22; and

**WHEREAS**, Parker has requested that the NTMWD allow Parker to provide sewer treatment and collector service to an additional 485 acres adjacent to Parker Lake Estates Phases I, II, and III by utilizing the customer service provision of the two NTMWD Regional Systems; and

**WHEREAS**, NTMWD and Parker entered into an Agreement for Customer Service dated January 25, 2001, and amended November 15, 2001, to allow Parker to provide sewer treatment and collector service to a subdivision called Parker Lake Estates, and amended in September, 2007, to provide sewer treatment and collection service to the proposed development of 485 acres, referred to as the Bedell development; and

**WHEREAS**, the attached amendment entitled Regional Wastewater Customer Service Agreement Amendment to Agreement for Customer Service with the City of Parker, (“Amendment”), to that Agreement provides for modifications that will allow service to be provided to additional areas of Parker in accordance with the terms of the Amendment, such area of approximately 30 acres owned by the Lovejoy ISD;

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

**SECTION 1.** The Parker City Council finds the statement in the Preamble above to be true.

**SECTION 2.** The Parker City Council does approve and authorize the Mayor to execute the Amendment with NTMWD entitled Regional Wastewater Customer Service Agreement Amendment the Agreement for Customer Service with the City of Parker in substantially the form attached hereto as Exhibit A.

**SECTION 3.** This resolution shall be effective upon its passage.

**APPROVED AND ADOPTED** this \_\_\_\_\_ day of October, 2012.

**CITY OF PARKER**

---

Z Marshall, Mayor

**ATTEST:**

---

Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

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James E. Shepherd, City Attorney

# **NORTH TEXAS MUNICIPAL WATER DISTRICT**

## **REGIONAL WASTEWATER CUSTOMER SERVICE CONTRACT AMENDMENT TO AGREEMENT FOR CUSTOMER SERVICE WITH THE CITY OF PARKER**

**WHEREAS**, the North Texas Municipal Water District (the “District”) owns and operates a Regional Wastewater Treatment System and an Upper East Fork Regional Interceptor System that can provide customer (nonmember) service in accordance with the two systems’ regional contracts and the District’s Policy No. 22; and

**WHEREAS**, the District and the City of Parker (the “City”) have entered into a “Regional Wastewater Customer Service Contract” dated January 25, 2001, which was amended on or about November 15, 2001 (“First Amendment”) and September 25, 2007 (“Second Amendment”) (collectively the “Contract”), to allow the City to provide wastewater treatment and collection service to the Parker Lakes Estate subdivision and adjacent property to the subdivision; and,

**WHEREAS**, the Contract provides that the City shall not make any future requests for additional wastewater service; and,

**WHEREAS**, the City and District now desire to modify the Contract to allow the City to request additional wastewater service for a limited service area although the District reserves the right to deny any future requests; and,

**WHEREAS**, the City has requested that the District authorize the City to provide wastewater treatment and collection service to the Lovejoy Independent School District (“Lovejoy ISD”) property (the “Property”) shown in Attachment A, attached hereto, by utilizing the customer service provision of the District’s collection and treatment system (the “System”); and,

**WHEREAS**, the District has performed an analysis of the Property and its proposed wastewater flows and concluded that capacity exists in the System to transport and treat additional flows proposed from the Property; and,

**WHEREAS**, the City on February 7, 2012 adopted Resolution No. 2012-362 approving the terms and conditions of an agreement with the Lovejoy ISD to provide sewer service to the Property; and,

**WHEREAS**, the City and Lovejoy ISD entered into the Sanitary Sewer Services Agreement on February 7, 2012 (the “Agreement”); and,

**WHEREAS**, this amendment to the Contract (“Third Amendment”) shall provide for modifications that will allow service to be provided to Lovejoy ISD in accordance to the terms of this amendment; and,

**WHEREAS**, this Third Amendment to the Contract entered into by the District and the City shall provide the basis for modifications to the Contract with additional terms presented below; however, all other terms of the Contract shall remain in full force and effect unless specifically provided otherwise below;

**NOW, THEREFORE**, the District and the City mutually agree to the following terms and conditions in accordance with District Policy No. 22:

**I. PURPOSE**

Subject to the terms and conditions of the Contract including all amendments, the District shall allow the City to provide wastewater service to the Property as identified in Attachment A.

**II. MODIFICATION TO CONTRACT**

1. Section II.2 of the Second Amendment is hereby deleted in its entirety.
2. The City shall have the right to make future requests for additional wastewater service. The District reserves the right to deny any such future requests by the City for additional wastewater service.

**III. RESPONSIBILITIES**

City of Parker:

1. The City shall be responsible for constructing any improvements to the system necessary to provide wastewater and collection service to Lovejoy ISD and any improvements shall comply with all applicable state and federal regulations.
2. The City shall be responsible for all costs and charges associated with the provision of wastewater and collection service to Lovejoy ISD, including any costs of construction required for the City to provide such service.

**III. LIMITATIONS**

The following limitations shall apply to the City:

1. The land area authorized to be served by this amendment shall only be that 30 acres more specifically described in Attachment A.
2. The average daily flow from the Property shall not exceed 17,600 gallons per day with a maximum daily flow not to exceed 88,000 gallons per day.

3. Service to this property is projected to start in June 2013. The initial average daily flow from the Property is projected to be 15,200 gallons per day with an initial maximum daily flow not to exceed 76,000 gallons per day.

**THIS AMENDMENT APPROVED BY THE NORTH TEXAS MUNICIPAL WATER DISTRICT BOARD OF DIRECTORS** at its Regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 2012, with authorization for execution by the President and Secretary of the Board of Directors.

**NORTH TEXAS MUNICIPAL WATER DISTRICT**

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Darwin Whiteside  
SECRETARY

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Charles McKissick  
PRESIDENT

**THIS CONTRACT REVIEWED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF PARKER** in a Regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 2012 with authorization for the Mayor and City Secretary to execute the agreement on behalf of the City of Parker.

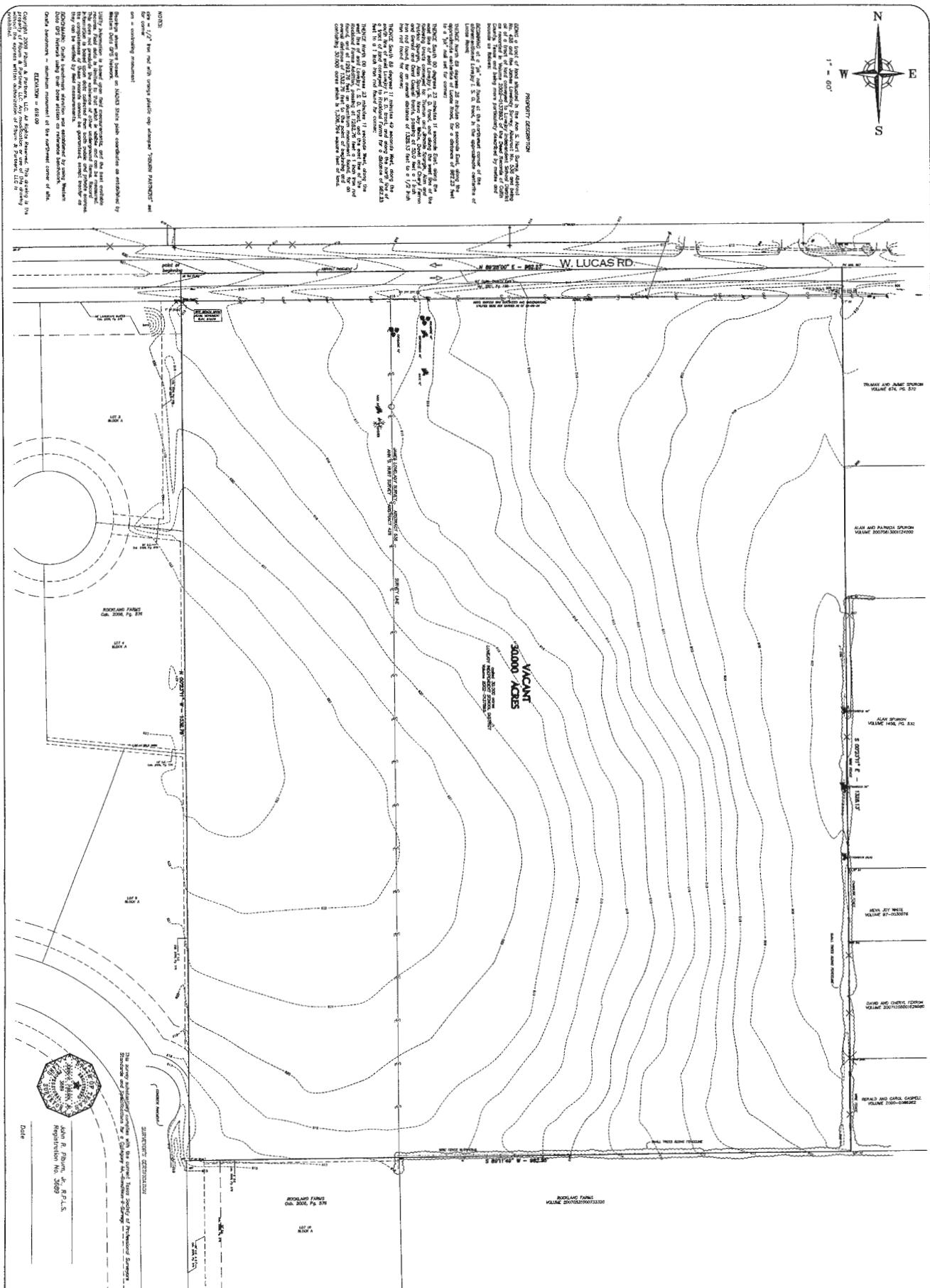
**CITY OF PARKER**

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CITY SECRETARY

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MAYOR



**BOUNDARY AND  
TOPOGRAPHIC SURVEY  
30.000 ACRE LOVEJOY I.S.D. TRACT  
CITY OF LUCAS  
COLLIN COUNTY, TEXAS**

PIBURN & PARTNERS, LLC  
9535 Forest Lane - Suite 228  
Dallas, Texas 75243  
Ph: (214) 328-3500 Fax: (214) 328-3512  
[email@metrousurveyor.com](mailto:email@metrousurveyor.com)  
[www.metrousurveyor.com](http://www.metrousurveyor.com)



The logo for RLK Engineering. It features the letters "RLK" in a large, bold, black, sans-serif font. Below "RLK", the word "ENGINEERING" is written in a smaller, black, italicized, sans-serif font. A thin black horizontal bar is positioned behind the letters "RLK".



## Council Agenda Item

Budget Account Code:	Meeting Date: October 30, 2012
Budgeted Amount:	Department/ Requestor: Council
Fund Balance-before expenditure:	Prepared by: J Flanigan
Estimated Cost:	Date Prepared: 10/25/2012
Exhibits:	1) Proposed Ordinance 688

### AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE 688 AMENDING MUNICIPAL CODE OF ORDINANCES CHAPTER 97 REGARDING THE PARKS AND RECREATION COMMISSION. [SHEPHERD]

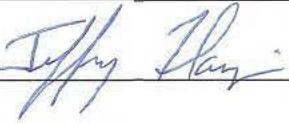
### SUMMARY

Ordinance 688 amends Ordinance 608 adding a fourth alternate position as approved by Council on October 16<sup>th</sup>.

It also amends the start time of the meetings from 7:30 pm to 7:00 pm if Council so desires. Staff has recommended the change in start time to be consistent with the Council and other boards. The Commission agreed to the change.

### POSSIBLE ACTION

Approve, Table or Deny

Inter - Office Use			
Approved by:			
Department Head:		Date:	
City Attorney:		Date:	
City Administrator:		Date:	10/26/12

**ORDINANCE NO. 688**  
*(Amending Municipal Code of Ordinances Chapter 97  
Parks and Recreation Commission)*

**AN ORDINANCE OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AMENDING THE CITY OF PARKER MUNICIPAL CODE OF ORDINANCES, CHAPTER 97: REGARDING THE PARKS AND RECREATION COMMISSION; AMENDING THE REQUIREMENT THE MEETINGS OF THE COMMISSION BE HELD AT 7:30PM; AMENDING THE NUMBER OF ALTERNATES TO THAT COMMISSION FROM 3, TO 4 ALTERNATES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the Parks and Recreation Commission of the City of Parker, Collin County, Texas has reduced its full board membership from 7 members to 5; and

**WHEREAS**, the Parks and Recreation Commission has requested the City Council to expand the number of commission alternates from 3 alternates to 4;

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

**SECTION 1. AMENDMENTS TO THE PARKER MUNICIPAL CODE OF ORDINANCES, CHAPTER 97: PARKS AND RECREATION COMMISSION:**

**AMENDMENT A.** The required time of Commission meetings of 7:30PM is deleted, and **§ 97.02 MEETINGS (A)** shall hereafter read as follows:

“(A) *Regular meetings.* The Commission shall meet at least bi-monthly. Such bi-monthly meeting shall be on the last Wednesday of every other month at the suggested time of 7:00 PM in the City Hall unless another time, date and place be designated by the Chairman, and all members of the Commission notified at least 7 days in advance. Regular meetings shall be in the months of January, March, May, July, September and November. The regular meeting in November may be set each year by resolution of the Commission as the first, second, third or fourth Wednesday of November to avoid conflict with the Thanksgiving holidays.

**AMENDMENT B.** The maximum number of alternates to the Parks and Recreation Commission is changed from 3 to 4, and **§ 97.05 PLACES; ALTERNATES; DUTIES OF OFFICERS. (B) Alternates.** shall hereafter read as follows:

“(B) *Alternates.* A majority of the City Council may appoint 1, 2, or 3 or 4 alternates to the Parks and Recreation Commission. The terms of the alternates will be 1-year terms, unless specifically

set at the time of the appointment of the alternate as a 2-year term. An alternate may be reappointed at the discretion of the Council. Regardless of the term assigned to the alternate, the City Council may remove an alternate with or without cause at any time. Terms of alternates commence June 1 of each year. All alternates continue to serve until their successors are appointed and qualified; save and except when an alternate resigns in writing. Alternate members shall be classified as members for all purposes other than regular voting.”

**SECTION 2. SEVERABILITY CLAUSE.** Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

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

**SECTION 4. EFFECTIVE DATE.** This Ordinance shall be in full force and effect from and after its passage, and it is so ordained.

**DULY PASSED** by the City Council of the City of Parker, Collin County, Texas, on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**APPROVED:**

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Z Marshall, Mayor

**ATTEST:**

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Carrie L. Smith, City Secretary

**APPROVED AS TO FORM:**

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James E. Shepherd, City Attorney

## Future Council Agenda Items

approx time (mins)	ITEM DESCRIPTION	SCHEDULED AGENDA DATE	Project Contact/Requestor	Notes
	Animal Control Ord Review	December 4, 2012	Pettle	Review of exotic animals in the current codes
	Media Broadcasting of Council Meetings	December 4, 2012	Pettle	Civic Plus has live streaming and audio options.
	Drainage issues in the City	December 4, 2012	Pettle	
	Vehicle Maintenance/Replacement Policy	December 4, 2012	Flanigan	Review the current policy in place.
	Council member Appointment Process	December 4, 2012		Some policies and issues need to be addressed when the need arises to fill a vacant council seat
	Directional and Builder signs	December 4, 2012	Leamy	Need additional information from Leamy
	Ord 481	December 4, 2012	Subcommittee	Shepherd is preparing a presentation by TML.