



A G E N D A
REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, DECEMBER 14, 2021 at 6:00 P.M.

EARLY WORK SESSION

City Council Chambers – 6:00 P.M.

Convene Meeting in Open Session

1. Receive a Presentation on the City's Redesigned Website
2. Receive Details regarding a Quarantine Leave Policy for Certain Public Safety Personnel
3. Discuss appointing a Member to Fill an Unexpired Term on the Zoning Board of Adjustment
4. Receive an Update on Parks Security Cameras
5. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for December 14, 2021

(Items discussed during Early Work Session may be continued or moved to Open Session and/or Late Work Session if time does not permit holding or completing discussion of the item during Early Work Session.)

CLOSED SESSION

City Manager's Conference Room

6. Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
 - (b) Section 551.074 – Deliberate the Appointment, Removal, Evaluation and Duties of Public Officers, specifically Members of the Zoning Board of Adjustment
 - (c) Section 551.089 – Deliberation regarding Security Devices or Security Audits

OPEN SESSION

City Council Chambers – 7:30 P.M.

7. Call Meeting to Order

8. **Prayer led by Councilmember Robert Fiester**
9. **Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Robert Fiester:** *“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”*
10. **Visitor Comments** *(Anyone wishing to address the City Council must complete a Speakers’ Request Form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.)*
11. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**
 - **Swearing In Ceremony for Officer Donievin Oliver**
12. **City Manager/Staff Reports**
 - **The Village Report**

Anyone wishing to address the City Council on any item posted on the City Council agenda for possible action, including matters placed on the Consent Agenda or posted as a Public Hearing, must complete a Speakers’ Request Form available at the entrance to the City Council Chambers and present it to the City Secretary prior to the Open Session being called to order. Speakers may be limited to three (3) minutes and given only one opportunity to speak on an item. Other procedures regarding speaking on matters posted for action on the City Council agenda are set forth on the Speakers’ Request Form. Subject to applicable law, the City Council reserves the right to modify or waive at any time the procedures relating to members of the public speaking on matters placed the Council’s agenda.

CONSENT AGENDA

All of the items on the Consent Agenda are considered for approval by a single motion and vote without discussion. Each Councilmember has the option of removing an item from this agenda so that it may be considered separately and/or adding any item from the Action Agenda to be considered as part of the Consent Agenda items.

13. **Consider approval of Minutes of the Regular City Council Meeting held on November 9, 2021**
14. **Receive Budget Report for Period Ending September 30, 2021**
15. **Consider Resolution 2021-2979 adopting a Quarantine Leave Policy for Certain Public Safety Personnel**
16. **Consider Resolution 2021-2980 authorizing a Release and Quitclaim of Interest in a Fifteen Foot (15’) Water Line Easement located at Lot 40, Block 1, Lake Vista Estates**
17. **Consider Resolution 2021-2982 authorizing the Purchase of a F-750 Dump Truck from Silbee Ford through the City’s Cooperative Purchasing Agreement with Goodbuy purchasing Cooperative**

ACTION AGENDA

18. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
 - (b) Section 551.074 – Deliberate the Appointment, Removal, Evaluation and Duties of Public Officers, specifically Members of the Zoning Board of Adjustment
 - (c) Section 551.089 – Deliberation regarding Security Devices or Security Audits
19. Consider Ordinance 2021-1291 authorizing the Issuance and Sale of City of Highland Village, Combination Tax and Revenue Certificates of Obligation, Series 2021
20. Consider approving a Site Plan for the property located at Lot 7B, Block 2, The Marketplace at Highland Village, commonly known as 2150 Village Parkway
21. Consider Resolution 2021-2981 appointing a Member to fill an Unexpired Term on the Zoning Board of Adjustment

LATE WORK SESSION

(Items may be discussed during Early Work Session, time permitting)

22. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)
23. Adjournment

I HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE PUBLIC BULLETIN BOARD AT THE MUNICIPAL COMPLEX, 1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS IN ACCORDANCE WITH THE *TEXAS GOVERNMENT CODE, CHAPTER 551*, ON THE 10TH DAY OF DECEMBER 2021 NOT LATER THAN 5:00 P.M.



Angela Miller, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 or Fax (972) 317-0237 for additional information.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1

MEETING DATE: 12/14/2021

SUBJECT: Receive Presentation on City's Redesigned Website

PREPARED BY: Laurie Mullens, Marketing and Communications Director

COMMENTS

City staff began the process of a re-design to the City website in December 2020 with a survey of website users. Based on the data from the survey along with the website statistics, a committee of staff members determined the goals for the redesigned site and initiated the process with CivicPlus, our current website provider. The last re-design took place in 2016. The industry standard for website redesign is every four-five years.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 2

MEETING DATE: 12/14/2021

SUBJECT: Quarantine Leave Policy for public safety personnel

PREPARED BY: Jana Onstead, Human Resources Director

COMMENTS

The Texas Legislature passed House Bill 2073 which adds a provision in the Texas Local Government Code Section 180.008 to require government entities who employ certain public safety personnel to provide paid leave in the event such personnel are ordered to quarantine as a result of a possible or known exposure to a communicable disease while on duty.

Highland Village personnel who qualify for leave under this legislation include emergency medical technicians (EMT, Paramedic), firefighters, and police officers.

If a qualified employee is exposed to a communicable disease while performing in the course and scope of their employment, and is ordered to quarantine by a medical doctor or the County Health Department, the City is required to provide paid quarantine leave and reimburse the employee of any related expenses. Also, any accrued personal, sick, or vacation leave cannot be reduced as a result of quarantine-related leave.

Utilizing a sample policy provided by the Texas Municipal League, staff has provided a policy (exhibit 1) that includes all of the requirements in the new legislation. The City Attorney's office has reviewed and approved this policy.

This resolution item is on the Consent Agenda for the December 14th City Council meeting.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 3	MEETING DATE: 12/14/2021
SUBJECT:	Discuss Appointment to Fill a Vacancy for an Unexpired Term on the Zoning Board of Adjustment
PREPARED BY:	Angela Miller, City Secretary

COMMENTS

City ordinance states that Council shall make annual appointments to the City's boards and commissions no later than the second regularly scheduled Council meeting in September. Citizens interested in volunteering their time to serve on one of the City's boards or commissions may submit an application to the City Secretary's Office for consideration by Council.

The annual appointments are for terms of two years, unless an individual is appointed to fill a vacancy. A "term year" is from October 1st until September 30th of the following year. The terms expire on the 30th day of September of the second year.

In the case of a vacancy, the Council shall appoint a replacement to fill the unexpired term. Council may consider appointing alternate members of said board, if available, to fulfill the vacancy prior to appointing new applicants.

The Zoning Board of Adjustment is composed of eight (8) members, which includes five (5) regular members and three (3) alternate members. One (1) member of the Zoning Board of Adjustment recently resigned, thereby leaving a vacancy in Place 1 with an unexpired term, which will expire September 30, 2023.

If Council desires to make an appointment to fill the vacancy, there are several options:

- a) Consider the Alternate members to serve in Place 1, then consider a person to fill the vacant alternate seat on the Zoning Board of Adjustment
- b) Consider appointing a person from the remaining applications currently on file - only one (1) application is on file at this time
- c) Delay filling the vacancy until additional applications are submitted.

An item has been placed on the regular meeting agenda should Council wish to make an appointment.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 4

MEETING DATE 12/14/2021

SUBJECT: Receive an Update on Parks Security Cameras

PREPARED BY: Doug Reim, Chief of Police

COMMENTS

City staff will provide an update on park security cameras.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11

MEETING DATE: 12/14/2021

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

Pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

- Swearing In Ceremony for Officer Donievin Oliver

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 13

MEETING DATE: 12/14/2021

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on November 9, 2021

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

Minutes are approved by a majority vote of Council at the Council meetings and listed on the Consent Agenda.

IDENTIFIED NEED/S:

Council is encouraged to call the City Secretary's Office prior to the meeting with suggested changes. Upon doing so, staff will make suggested changes and the minutes may be left on the Consent Agenda in order to contribute to a time efficient meeting. If the change is substantial in nature, a copy of the suggested change will be provided to Council for consideration prior to the vote.

OPTIONS & RESULTS:

The City Council should review and consider approval of the minutes. Council's vote and approval of the minutes reflect agreement with the accuracy of the minutes.

PROGRESS TO DATE: (if appropriate)

The City Manager has reviewed the minutes and given approval to include the minutes in this packet.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve the minutes of the Regular City Council Meeting held on November 9, 2021.



**MEETING MINUTES OF THE REGULAR MEETING
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, NOVEMBER 9, 2021**

EARLY WORK SESSION

Mayor Charlotte J. Wilcox called the meeting to order at 6:00 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Robert A. Fiester	Councilmember
	Tom Heslep	Councilmember
	Daniel Jaworski	Councilmember
Absent:	Barbara Fleming	Deputy Mayor Pro Tem
Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Michael Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Phil Lozano	Parks & Recreation Director
	Sunny Lindsey	Information Services Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist
	Karen McCoy	Executive Assistant

1. Discuss awarding of Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022

City Secretary Angela Miller reported Council has historically allocated a percentage of the yearly budget to provide grant funds to local nonprofit organizations. Each year nonprofit organizations desiring funding from the City submit applications to the City Secretary's Office, which are reviewed to ensure required criteria is met, and provided to Council. The City received seventeen (17) funding request applications this year, totaling \$61,800. At their October 26, 2021 meeting, Council received presentations from representatives of the nonprofit organizations.

Council members discussed funding for the nonprofit organizations and came to a consensus for allocations. Formal action by Council will be taken with Agenda Item #16.

2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for November 9, 2021

Relating to Agenda Item #11, Councilmember Jaworski asked for clarification on the services being provided. Chief Thomson reported the interlocal agreements are done annually with Denton County to provide ambulance and fire protection services to specified unincorporated areas of FM 2499.

Councilmember Fiester asked the status of the 2021 Sidewalk Project since the company hired to complete the project may no longer be in business. Public Works Director Scott Kriston reported the sidewalks at Victoria and Brazos Parks have been completed. To date, staff has not received any formal notice that the company has gone out of business. He is working with the City Attorney on the next steps to take in order to get the project completed.

Council concluded Early Work Session at 6:20 p.m.

CLOSED SESSION

3. Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:

(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

Council did not meet in Closed Session.

OPEN SESSION

4. Call Meeting to Order

Mayor Charlotte J. Wilcox called the meeting to order at 7:00 p.m.

Roll Call

Present:	Charlotte J. Wilcox Jon Kixmiller Michael Lombardo Robert A. Fiester Tom Heslep Daniel Jaworski	Mayor Councilmember Mayor Pro Tem Councilmember Councilmember Councilmember
Absent:	Barbara Fleming	Deputy Mayor Pro Tem
Staff Members:	Paul Stevens Ken Heerman Angela Miller Doug Reim Cory Gullo Michael Thomson	City Manager Assistant City Manager City Secretary Chief of Police Police Sergeant Fire Chief

Travis Nokes	Assistant Fire Chief
Scott Kriston	Public Works Director
Phil Lozano	Parks & Recreation Director
Sunny Lindsey	Information Services Director
Carmen Oprea	GIS Administrator
Laurie Mullens	Marketing & Communications Director
Andrew Boyd	Media Specialist

5. Prayer led by Councilmember Tom Heslep

Councilmember Heslep gave the invocation.

6. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Tom Heslep

Councilmember Heslep led the Pledge of Allegiance to the U.S. and Texas flags.

7. Visitor Comments

The following person spoke:

Megan Pigott (3015 Lakeside Drive) – Ms. Pigott thanked the City Council and staff for the services provided to the residents of Highland Village. Ms. Pigott added she is opposed to any zoning change that would allow construction of apartments at The Shops at Highland Village.

8. Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety

Mayor Wilcox announced the 19th Annual Cross Timbers Artists' Guild Studio Tour would be held November 13-14, 2021. Further details can be found on the Guild's website.

Police Chief Doug Reim announced "No Shave November" is underway, which is a month long campaign to create awareness and funds for men's health issues. He also reported the Annual Joint Toy Drive will kick off at Our Village Glows. Boxes will be placed throughout the community to collect toys and gift cards.

Fire Chief Mike Thomson announced Assistant Chief Travis Nokes would be leaving Highland Village to accept a position with the City of Bridgeport as their Fire Chief.

- **Swearing In Ceremony for Officer Frank Beckett**

A swearing in ceremony was held for Officer Beckett.

- **Check Presentation to Texas Police Chiefs Association (TPCA) for Proceeds from the Highland Village TXFallenPD Tribute Event**

Chief Reim presented a donation check in the amount of \$70,655.36 to TPCA President Barbara Childress. The donation is a culmination of the 2021 TXFallenPD Tribute Event that was held on October 17. Police Sergeant Cory Gullo presented a video recap of the event.

- **Presentation of a Proclamation designating November 17, 2021 as National Geographic Information Systems (GIS) Day**

Mayor Wilcox presented a proclamation to Information Services Director Sunny Lindsey and GIS Administrator Carmen Oprea.

9. City Manager/Staff Reports

- **Village Report**

The Village Report featured the upcoming holiday events:

- Our Village Glows scheduled for November 20 at The Shops at Highland Village
- Wine Down with the Grinch scheduled for December 10 and Christmas at the Ranch on December 11, both at Doubletree Ranch Park

CONSENT AGENDA

- 10. Consider approval of Minutes of the Regular City Council Meeting held on October 26, 2021**
- 11. Consider Resolution 2021-2976 authorizing the City Manager to Enter into Interlocal Cooperation Agreements with Denton County for Ambulance and Fire Protection Services**
- 12. Receive Investment Report for Quarter Ending September 30, 2021**

Motion by Councilmember Fiester, seconded by Councilmember Heslep, to approve Consent Agenda Items #10 through #12. Motion carried 6-0.

ACTION AGENDA

- 13. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

NO ACTION TAKEN

- 14. Discuss and Consider Ordinance 2021-1290 authorizing the Issuance of the City of Highland Village, Texas, General Obligation Refunding Bonds, Series 2021, specifying the Terms and Features of Said Bonds, Levying a Continuing Direct Annual Ad Valorem Tax for the Payment of Said Bonds and Resolving Other Matters Incident and Related Thereto and Providing an Effective Date**

APPROVED (6 – 0)

Managing Director Jim Sabonis from Hilltop Securities presented a summary of the refunding opportunities that exist with outstanding 2012, 2013, 2014 and 2015 bonds. He also reported Standard & Poor assigned its AAA bond rating, which helped to receive favorable bids.

Motion by Councilmember Kixmiller, seconded by Mayor Pro Tem Lombardo, to approve Ordinance 2021-1290. Motion carried 6-0.

15. Consider Resolution 2021-2977 casting the City of Highland Village Votes for Denton Central Appraisal District Board of Directors

VOTES CAST
APPROVED (6 – 0)

City Secretary Angela Miller reported staff was notified by the Chief Appraiser of the Denton Central Appraisal District (DCAD) of the list of nominees wishing to serve on their Board of Directors. Per the Texas Tax Code and by-laws of the DCAD, the City of Highland Village has a total of twenty-nine (29) votes to cast among one or more nominees to the Board of Directors.

Motion by Mayor Pro Tem Lombardo, seconded by Councilmember Jaworski, to approve Resolution 2021-2977 casting the City's votes as follows:

Alex Buck – 14 votes

Tom Heslep – 15 votes

Motion carried 6-0.

16. Consider Resolution 2021-2978 awarding Grant Funds to Community Nonprofit Organizations for Fiscal Year 2021-2022

APPROVED (6 – 0)

Mrs. Miller reported funding allocations were discussed during Early Work Session. This item allows Council to take formal action to allocate funds to community nonprofit organizations.

Motion by Councilmember Fiester, seconded by Councilmember Jaworski, to approve Resolution 2021-2978 making the following allocations:

Family Service Organizations:

- ***Christian Community Action (CCA) - \$2,500***
- ***Denton County Friends of the Family, Inc. - \$5,000***
- ***Denton County MHMR Center - \$3,000***
- ***Salvation Army - \$3,500***
- ***SPAN, Inc./Meals on Wheels - \$1,000***
- ***Special Abilities of North Texas - \$4,250***
- ***Winning the Fight (WTF) - \$2,500***

Children's Service Organizations:

- ***CASA of Denton County, Inc. - \$2,000***
- ***Communities in Schools of North Texas - \$3,000***
- ***Journey to Dream - \$3,500***
- ***PediPlace - \$2,500***
- ***Lewisville ISD Education Foundation (LEF) - \$5,000***

Community Service Organizations:

- ***Highland Village Lions Foundation - \$3,000***
- ***Friends of the Flower Mound Public Library - \$500***
- ***Lewisville Lake Symphony - \$3,000***
- ***Studio B Performing Arts - \$ 3,000***
- ***Chisholm Trail Retired Senior Volunteer Program (RSVP) - \$2,000***

Motion carried 6-0.

The Mayor and Council thanked all of the organizations for the services they provide to the residents of Highland Village.

LATE WORK SESSION

17. **Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)**

No items were discussed.

18. **Adjournment**

Mayor Wilcox adjourned the meeting at 7:46 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14

MEETING DATE: 12/14/2021

SUBJECT: Receive Budget Reports for Period Ending September 30, 2021

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND

In accordance with the City Charter, Section 6.12, paragraph D, a budget report is submitted monthly for Council Review.

The budget report submitted for September represents the final report of the Fiscal Year.

IDENTIFIED NEED/S:

N/A

OPTIONS & RESULTS:

Please note that this report is un-audited. We are still in the process of closing the books for Fiscal Year 2020-2021 – not all invoices / payments have been received that pertain to this year. Thus, there will likely be further adjustments until final numbers are obtained. However, in total, the budget reports do fairly represent the financial position of the City.

The totals for year-end reflect a favorable position for the City. In general, the actual ending fund balance totals for FY 2020-2021 exceed the projections provided in the budget process.

Actual revenues slightly exceeded the original budget amount and were right in line with the year-end projections in the FY 2022 budget process. Expenditures in total are below both the original budget, as well as the year-end budget projections.

Following is actual expenditures (unaudited) compared to the year-end estimated identified in the budget process.

Significant revenues variances from Year-end estimate: (\$125,129 in total)

- Sales Tax (\$116,628)
Expenditures (\$-863,821)
- Police (\$-216,091)
 - Personnel \$-98,143 - Turnover
 - Supplies \$-28,032
 - Capital \$74,031- Delayed receipts of ordered vehicles
- Streets (\$-301,753)
 - Street Overlay \$-164,178 carry over to FY 2022
 - Capital (\$-27,161)
 - Personnel \$-49,056 due to turnover
- Parks (\$-156,044)
 - Personnel \$-23,559
 - Professional Services (\$-81,755) – Maintenance Contracts
 - Utilities (\$-27,592)

Revenues	Original Budget	Projected Year-End	Year to Date	Variance	%
Property Tax	\$ 11,527,507	\$ 11,543,990	\$ 11,544,177	\$ 187	100%
Sales Tax	2,828,047	3,084,121	3,200,749	116,628	104%
Franchise Fees	1,581,265	1,580,348	1,521,176	(59,172)	96%
Licensing & Permits	336,833	343,314	374,705	31,391	109%
Park/Recreation Fees	227,745	101,343	131,548	30,205	130%
Public Safety Fees	591,655	517,809	526,021	8,212	102%
Rents	142,450	166,450	157,762	(8,688)	95%
Municipal Court	111,180	70,000	73,671	3,671	105%
Interest Income	150,000	35,000	28,764	(6,236)	82%
Miscellaneous	140,550	82,738	91,669	8,931	111%
Total Revenues	\$ 17,637,232	\$ 17,525,113	\$ 17,650,242	\$ 125,129	101%

Other Sources					
Transfers In	\$ 534,000	\$ 534,000	\$ 534,000	\$ -	100%
Total Available Resources	\$ 18,171,232	\$ 18,059,113	\$ 18,184,242	\$ 125,129	

Expenditures	Original Budget	Projected Year-End	Year to Date	Variance	%
City Manager Office	\$ 603,533	\$ 569,756	\$ 523,492	\$ 46,264	92%
Finance (includes Mun. Court)	1,345,313	1,321,504	1,289,983	31,521	98%
Human Resources	565,742	542,047	451,159	90,888	83%
City Secretary Office	398,216	334,213	320,121	14,092	96%
Information Services	1,084,104	1,063,453	1,080,961	(17,508)	102%
Marketing and Communications	403,772	377,150	373,711	3,439	99%
Police	5,329,007	5,162,034	4,945,943	216,091	96%
Fire	3,126,013	3,128,007	3,105,340	22,667	99%
Community Services	422,845	462,986	469,908	(6,922)	101%
Streets/Drainage	1,651,199	1,697,465	1,395,712	301,753	82%
Maintenance	1,087,030	1,467,866	1,508,395	(40,529)	103%
Parks	2,166,750	2,205,485	2,049,441	156,044	93%
Recreation	564,343	415,137	369,116	46,021	89%
Total Expenditures	\$ 18,747,868	\$ 18,747,103	\$ 17,883,282	\$ 863,821	95%

Other Uses					
Transfers Out	\$ 36,000	\$ 36,000	\$ 36,000	-	100%
Total Expenditures	\$ 18,783,868	\$ 18,783,103	\$ 17,919,282	\$ 863,821	

Fund Balance	Original Budget	Projected Year-End	Year to Date	
Beginning Fund Balance	5,844,759	7,952,600	7,952,600	Audited FY20
+ Net Increase (Decrease)	(612,636)	(723,990)	264,960	
Ending Fund Balance	\$ 5,232,123	\$ 7,228,610	\$ 8,217,560	

PROGRESS TO DATE: (if appropriate)

N/A

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

Council to receive the budget reports for the period ending September 30, 2021.

General Fund Summary

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

Revenues	Original Budget	Revised Budget (Includes Budget Amendments)	Year to Date	Variance	% Received
Property Tax	\$ 11,527,507	\$ 11,527,507	\$ 11,544,177	\$ 16,670	100%
Sales Tax	2,828,047	2,828,047	3,200,749	372,702	113%
Franchise Fees	1,581,265	1,581,265	1,521,176	(60,089)	96%
Licensing & Permits	336,833	336,833	374,705	37,872	111%
Park/Recreation Fees	227,745	227,745	131,548	(96,197)	58%
Public Safety Fees	591,655	591,655	526,021	(65,634)	89%
Rents	142,450	142,450	157,762	15,312	111%
Municipal Court	111,180	111,180	73,671	(37,509)	66%
Interest Income	150,000	150,000	28,764	(121,236)	19%
Miscellaneous	140,550	140,550	91,669	(48,881)	65%
Total Revenues	\$ 17,637,232	\$ 17,637,232	\$ 17,650,242	\$ 13,010	100%

Other Sources

Transfers In	\$ 534,000	\$ 534,000	\$ 534,000	\$ -	100%
Total Available Resources	\$ 18,171,232	\$ 18,171,232	\$ 18,184,242	\$ 13,010	

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
City Manager Office	\$ 603,533	\$ 603,533	\$ 523,492	\$ 80,041	87%
Finance (includes Mun. Court)	1,345,313	1,360,314	1,289,983	70,331	95%
Human Resources	565,742	565,742	451,159	114,583	80%
City Secretary Office	398,216	398,216	320,121	78,095	80%
Information Services	1,084,104	1,084,105	1,080,961	3,144	100%
Marketing and Communications	403,772	418,772	373,711	45,061	89%
Police	5,329,007	5,272,007	4,945,943	326,064	94%
Fire	3,126,013	3,151,013	3,105,340	45,673	99%
Community Services	422,845	475,845	469,908	5,937	99%
Streets/Drainage	1,651,199	1,716,199	1,395,712	320,487	81%
Maintenance	1,087,030	1,502,030	1,508,395	(6,365)	100%
Parks	2,166,750	2,236,750	2,049,441	187,309	92%
Recreation	564,343	564,343	369,116	195,227	65%
Total Expenditures	\$ 18,747,868	\$ 19,348,869	\$ 17,883,282	\$ 1,465,587	92%

Capital Summary	(Included in totals above - summary information only)				
Equipment Replacement	\$ 417,000	\$ 527,000	\$ 476,071	\$ 50,929	90%

Other Uses

Transfers Out	\$ 36,000	\$ 36,000	\$ 36,000	-	100%
Total Expenditures	\$ 18,783,868	\$ 19,384,869	\$ 17,919,282	\$ 1,465,587	

Fund Balance	Original Budget	Revised Budget	Year to Date
Beginning Fund Balance	5,844,759	7,952,600	7,952,600
+ Net Increase (Decrease)	(612,636)	(1,213,637)	264,960
Ending Fund Balance	\$ 5,232,123	\$ 6,738,963	\$ 8,217,560

Audited FY20

Fund Balance Detail	Original Budget	Revised Budget	Year to Date
Reserve Fund Balance (15% of Total Expenditures)	\$ 2,812,180	\$ 2,902,330	\$ 2,682,492
Restricted	11,500	11,500	11,500
Unassigned	2,408,443	3,825,133	5,523,567
Total Fund Balance	\$ 5,232,123	\$ 6,738,963	\$ 8,217,560

General Fund Expenditure Summary

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

- - - Summary - - -

	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 13,487,531	\$ 13,552,532	\$ 13,029,845	\$ 522,687	96%
Services / Supplies	4,843,337	5,269,337	4,377,367	891,970	83%
Capital	417,000	527,000	476,071	50,929	90%
	\$ 18,747,868	\$ 19,348,869	\$ 17,883,282	\$ 1,465,587	92%

- - - Detail - - -

Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 9,627,087	\$ 9,657,087	\$ 9,397,960	\$ 259,126	97%
<i>Employee Benefits</i>	3,860,445	3,895,445	3,631,884	263,561	93%
<i>Total Personnel</i>	\$ 13,487,531	\$ 13,552,532	\$ 13,029,845	\$ 522,687	96%
Services / Supplies					
<i>Professional Services</i>	\$ 1,736,379	\$ 1,726,379	\$ 1,433,020	\$ 293,359	83%
<i>Employee Development</i>	358,750	361,750	222,701	139,049	62%
<i>Office Supplies / Equipment</i>	1,255,449	1,690,449	1,611,433	79,016	95%
<i>Utilities</i>	311,408	311,408	266,719	44,689	86%
<i>Other</i>	1,181,351	1,179,351	843,494	335,857	72%
<i>Total Services / Supplies</i>	\$ 4,843,337	\$ 5,269,337	\$ 4,377,367	\$ 891,970	83%
Capital					
<i>Equipment / Vehicles</i>	\$ 417,000	\$ 527,000	\$ 476,071	\$ 50,929	90%
<i>Total Capital</i>	\$ 417,000	\$ 527,000	\$ 476,071	\$ 50,929	90%
Total General Fund Expenditure Summary	\$ 18,747,868	\$ 19,348,869	\$ 17,883,282	\$ 1,465,587	92%

General Fund Revenue

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Property Tax	\$ 11,527,507	\$ 11,527,507	\$ 11,544,177	\$ 16,670	100%
Sales Tax	2,828,047	2,828,047	3,200,749	372,702	113%
Franchise Fees	1,581,265	1,581,265	1,521,176	(60,089)	96%
Licensing & Permits	336,833	336,833	374,705	37,872	111%
Park/Recreation Fees	227,745	227,745	131,548	(96,197)	58%
Public Safety Fees	591,655	591,655	526,021	(65,634)	89%
Rents	142,450	142,450	157,762	15,312	111%
Municipal Court	111,180	111,180	73,671	(37,509)	66%
Interest Income	150,000	150,000	28,764	(121,236)	19%
Miscellaneous	140,550	140,550	91,669	(48,881)	65%
Total Revenues	\$ 17,637,232	\$ 17,637,232	\$ 17,650,242	\$ 13,010	100%

City Manager Office FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 386,792	\$ 386,792	\$ 372,199	\$ 14,593	96%
Services / Supplies	216,741	216,741	151,293	65,448	70%
Capital	-	-	-	-	0%
	\$ 603,533	\$ 603,533	\$ 523,492	\$ 80,041	87%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 306,308	\$ 306,308	\$ 303,666	\$ 2,641	99%
<i>Employee Benefits</i>	80,484	80,484	68,532	11,952	85%
Total Personnel	\$ 386,792	\$ 386,792	\$ 372,199	\$ 14,593	96%

Services / Supplies					
<i>Professional Services (City-wide legal - \$130,260)</i>	\$ 140,260	\$ 140,260	\$ 93,711	\$ 46,549	67%
<i>Employee Development</i>	16,140	16,140	7,081	9,059	44%
<i>Supplies / Equipment</i>	10,053	10,053	3,084	6,969	31%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Contingency + Data Processing)</i>	50,288	50,288	47,416	2,872	94%
Total Services / Supplies	\$ 216,741	\$ 216,741	\$ 151,293	\$ 65,448	70%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total City Manager	\$ 603,533	\$ 603,533	\$ 523,492	\$ 80,041	87%
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Finance Department FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 873,264	\$ 873,264	\$ 866,064	\$ 7,199	99%
Services / Supplies	472,050	487,050	423,919	63,131	87%
Capital	-	-	-	-	0%
	\$ 1,345,313	\$ 1,360,314	\$ 1,289,983	\$ 70,331	95%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 628,280	\$ 628,280	\$ 635,526	\$ (7,246)	101%
<i>Employee Benefits</i>	244,983	244,983	230,538	14,446	94%
Total Personnel	\$ 873,264	\$ 873,264	\$ 866,064	\$ 7,199	99%

Services / Supplies					
<i>Professional Services</i> <i>(City-wide liability insurance - \$168,832 / DCAD - \$85,400)</i>	\$ 447,610	\$ 462,610	\$ 407,504	\$ 55,106	88%
<i>Employee Development</i>	13,371	13,371	10,148	3,223	76%
<i>Supplies / Equipment</i>	8,069	8,069	6,266	1,803	78%
<i>Utilities</i>	-	-	-	-	0%
<i>Other [Data Processing \$3,000]</i>	3,000	3,000	-	3,000	0%
Total Services / Supplies	\$ 472,050	\$ 487,050	\$ 423,919	\$ 63,131	87%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%
Total Finance Department	\$ 1,345,313	\$ 1,360,314	\$ 1,289,983	\$ 70,331	95%

Human Resources FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 446,765	\$ 446,765	\$ 368,149	\$ 78,615	82%
Services / Supplies	118,977	118,977	83,010	35,967	70%
Capital	-	-	-	-	0%
	\$ 565,742	\$ 565,742	\$ 451,159	\$ 114,583	80%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 324,861	\$ 324,861	\$ 264,243	\$ 60,618	81%
<i>Employee Benefits</i>	121,904	121,904	103,906	17,998	85%
Total Personnel	\$ 446,765	\$ 446,765	\$ 368,149	\$ 78,615	82%

Services / Supplies					
<i>Professional Services</i>	\$ 47,670	\$ 47,670	\$ 43,236	\$ 4,434	91%
<i>Employee Development</i>	64,257	64,257	31,927	32,330	50%
<i>Supplies / Equipment</i>	975	975	940	35	96%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Safety Programs)</i>	6,075	6,075	6,907	(832)	114%
Total Services / Supplies	\$ 118,977	\$ 118,977	\$ 83,010	\$ 35,967	70%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Human Resources	\$ 565,742	\$ 565,742	\$ 451,159	\$ 114,583	80%
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City Secretary Office FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 229,499	\$ 229,499	\$ 202,749	\$ 26,751	88%
Services / Supplies	168,717	168,717	117,372	51,345	70%
Capital	-	-	-	-	-
	<u>\$ 398,216</u>	<u>\$ 398,216</u>	<u>\$ 320,121</u>	<u>\$ 78,095</u>	<u>80%</u>

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 163,794	\$ 163,794	\$ 146,796	\$ 16,999	90%
<i>Employee Benefits</i>	65,705	65,705	55,953	9,752	85%
Total Personnel	<u>\$ 229,499</u>	<u>\$ 229,499</u>	<u>\$ 202,749</u>	<u>\$ 26,751</u>	<u>88%</u>

Services / Supplies					
<i>Professional Services</i>	\$ 51,300	\$ 51,300	\$ 28,691	\$ 22,609	56%
<i>Employee Development</i> <i>(City Council related \$38,392)</i>	54,217	54,217	36,265	17,952	67%
<i>Supplies / Equipment</i>	17,100	17,100	12,817	4,283	75%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Outside Services)</i>	46,100	46,100	39,600	6,500	86%
Total Services / Supplies	<u>\$ 168,717</u>	<u>\$ 168,717</u>	<u>\$ 117,372</u>	<u>\$ 51,345</u>	<u>70%</u>

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0%</u>

Total City Secretary Office	<u>\$ 398,216</u>	<u>\$ 398,216</u>	<u>\$ 320,121</u>	<u>\$ 78,095</u>	<u>80%</u>
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Information Services FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 712,321	\$ 757,322	\$ 743,811	\$ 13,511	98%
Services / Supplies	371,783	326,783	259,770	67,013	79%
Capital	-	-	77,380	(77,380)	0%
	\$ 1,084,104	\$ 1,084,105	\$ 1,080,961	\$ 3,144	100%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
Salaries / Wages	\$ 543,765	\$ 543,765	\$ 553,357	\$ (9,592)	102%
Employee Benefits	168,556	213,557	190,454	23,103	89%
Total Personnel	\$ 712,321	\$ 757,322	\$ 743,811	\$ 13,511	98%

Services / Supplies					
Professional Services <i>(Maintenance Contracts \$167,110)</i>	\$ 208,610	\$ 178,610	\$ 127,944	\$ 50,666	72%
Employee Development	31,705	31,705	11,779	19,926	37%
Supplies / Equipment	4,160	4,160	4,060	100	98%
Utilities	20,308	20,308	13,528	6,780	67%
Other (Data Processing)	107,000	92,000	102,459	(10,459)	111%
Total Services / Supplies	\$ 371,783	\$ 326,783	\$ 259,770	\$ 67,013	79%

Capital					
Equipment / Vehicles - Network Storage Device <i>(Added via Budget Amendment)</i>	-	-	77,380	(77,380)	0%
Total Capital	\$ -	\$ -	\$ 77,380	\$ (77,380)	0%

Total City Information Services	\$ 1,084,104	\$ 1,084,105	\$ 1,080,961	\$ 3,144	100%
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Marketing and Communications FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 289,268	\$ 304,268	\$ 292,780	\$ 11,487	96%
Services / Supplies	114,504	114,504	80,931	33,573	71%
Capital	-	-	-	-	0%
	\$ 403,772	\$ 418,772	\$ 373,711	\$ 45,061	89%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 217,333	\$ 217,333	\$ 215,293	\$ 2,040	99%
<i>Employee Benefits</i>	71,935	86,935	77,487	9,448	89%
Total Personnel	\$ 289,268	\$ 304,268	\$ 292,780	\$ 11,487	96%

<i>Professional Services</i>	\$ 84,924	\$ 84,924	\$ 66,599	\$ 18,325	78%
<i>Employee Development</i>	7,680	7,680	2,641	5,039	34%
<i>Supplies / Equipment</i>	-	-	9	(9)	0%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Special Events)</i>	21,900	21,900	11,682	10,218	53%
Total Services / Supplies	\$ 114,504	\$ 114,504	\$ 80,931	\$ 33,573	71%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Marketing and Communications	\$ 403,772	\$ 418,772	\$ 373,711	\$ 45,061	89%
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Police Department FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 4,775,377	\$ 4,705,377	\$ 4,500,635	\$ 204,742	96%
Services / Supplies	398,630	411,630	364,338	47,292	89%
Capital	<u>155,000</u>	<u>155,000</u>	<u>80,969</u>	<u>74,031</u>	<u>52%</u>
	\$ 5,329,007	\$ 5,272,007	\$ 4,945,943	\$ 326,064	94%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 3,494,485	\$ 3,424,485	\$ 3,333,607	\$ 90,878	97%
<i>Employee Benefits</i>	<u>1,280,892</u>	<u>1,280,892</u>	<u>1,167,028</u>	<u>113,864</u>	<u>91%</u>
Total Personnel	\$ 4,775,377	\$ 4,705,377	\$ 4,500,635	\$ 204,742	96%

Services / Supplies					
<i>Professional Services</i>	\$ 143,787	\$ 143,787	\$ 142,398	\$ 1,389	99%
<i>Employee Development</i>	45,339	45,339	33,309	12,030	73%
<i>Supplies / Equipment</i>	141,216	141,216	115,801	25,415	82%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Animal Care - \$52,028)</i>	<u>68,288</u>	<u>81,288</u>	<u>72,831</u>	<u>\$ 8,457</u>	<u>90%</u>
Total Services / Supplies	\$ 398,630	\$ 411,630	\$ 364,338	\$ 47,292	89%

Capital					
<i>Equipment / Vehicles</i>	155,000	155,000	80,969	74,031	52%
Total Capital	\$ 155,000	\$ 155,000	\$ 80,969	\$ 74,031	52%

Total Police Department	\$ 5,329,007	\$ 5,272,007	\$ 4,945,943	\$ 326,064	94%
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Fire Department FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 2,689,052	\$ 2,729,052	\$ 2,685,758	\$ 43,294	98%
Services / Supplies	419,961	404,961	402,582	2,379	99%
Capital	<u>17,000</u>	<u>17,000</u>	<u>17,000</u>	-	100%
	\$ 3,126,013	\$ 3,151,013	\$ 3,105,340	\$ 45,673	99%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
Salaries / Wages	\$ 1,855,182	\$ 1,895,182	\$ 1,869,178	\$ 26,004	99%
Employee Benefits	<u>833,870</u>	<u>833,870</u>	<u>816,580</u>	17,290	98%
Total Personnel	\$ 2,689,052	\$ 2,729,052	\$ 2,685,758	\$ 43,294	98%

Services / Supplies					
Professional Services	\$ 122,170	\$ 122,170	\$ 134,676	\$ (12,506)	110%
Employee Development <i>(Training - \$52,950)</i>	68,317	68,317	55,159	13,158	81%
Supplies / Equipment	188,624	173,624	180,923	(7,299)	104%
Utilities	1,800	1,800	1,667	133	93%
Other <i>(Safety Programs)</i>	<u>39,050</u>	<u>39,050</u>	<u>30,157</u>	8,893	77%
Total Services / Supplies	\$ 419,961	\$ 404,961	\$ 402,582	\$ 2,379	99%

Capital					
Equipment / Vehicles	17,000	17,000	17,000	-	100%
Total Capital	\$ 17,000	\$ 17,000	\$ 17,000	\$ -	100%

Total Fire Department	\$ 3,126,013	\$ 3,151,013	\$ 3,105,340	\$ 45,673	99%
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Community Services FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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--- Summary ---					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 401,977	\$ 451,977	\$ 457,899	\$ (5,922)	101%
Services / Supplies	20,868	23,868	12,008	11,860	50%
Capital	-	-	-	-	0%
	\$ 422,845	\$ 475,845	\$ 469,908	\$ 5,937	99%

--- Detail ---					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 277,555	\$ 327,555	\$ 319,376	\$ 8,179	98%
<i>Employee Benefits</i>	124,422	124,422	138,523	(14,101)	111%
<i>Total Personnel</i>	\$ 401,977	\$ 451,977	\$ 457,899	\$ (5,922)	101%

Services / Supplies					
<i>Professional Services</i>	\$ 7,200	\$ 7,200	\$ 1,157	6,044	16%
<i>Employee Development</i>	6,230	9,230	4,404	4,826	48%
<i>Supplies / Equipment</i>	6,618	6,618	6,448	170	97%
<i>Utilities</i>	-	-	-	-	0%
<i>Other</i>	820	820	-	820	0%
<i>Total Services / Supplies</i>	\$ 20,868	\$ 23,868	\$ 12,008	\$ 11,860	50%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
<i>Total Capital</i>	\$ -	\$ -	\$ -	\$ -	0%

<i>Total Building Operations</i>	\$ 422,845	\$ 475,845	\$ 469,908	\$ 5,937	99%
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Streets Division FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 802,489	\$ 752,489	\$ 696,981	\$ 55,508	93%
Services / Supplies	708,710	713,710	485,897	227,813	68%
Capital	<u>140,000</u>	<u>250,000</u>	<u>212,834</u>	<u>37,166</u>	<u>85%</u>
	\$ 1,651,199	\$ 1,716,199	\$ 1,395,712	\$ 320,487	81%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 548,690	\$ 523,690	\$ 497,503	\$ 26,187	95%
<i>Employee Benefits</i>	<u>253,799</u>	<u>228,799</u>	<u>199,478</u>	<u>29,321</u>	<u>87%</u>
Total Personnel	\$ 802,489	\$ 752,489	\$ 696,981	\$ 55,508	93%

Services / Supplies					
<i>Professional Services</i>	\$ 74,466	\$ 79,466	\$ 54,155	\$ 25,311	68%
<i>Employee Development</i>	10,719	10,719	2,489	8,230	23%
<i>Supplies / Equipment</i>	46,975	46,975	20,013	26,962	43%
<i>Utilities (Streetlights)</i>	86,000	86,000	82,869	3,131	96%
<i>Other (Street Maintenance)</i>	<u>490,550</u>	<u>490,550</u>	<u>326,372</u>	<u>164,178</u>	<u>67%</u>
Total Services / Supplies	\$ 708,710	\$ 713,710	\$ 485,897	\$ 227,813	68%

Capital					
<i>Equipment / Vehicles</i>	140,000	250,000	212,834	37,166	<u>85%</u>
Total Capital	\$ 140,000	\$ 250,000	\$ 212,834	\$ 37,166	85%

Total Streets	\$ 1,651,199	\$ 1,716,199	\$ 1,395,712	\$ 320,487	81%
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Maintenance Division FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired

100.0%

- - - Summary - - -

	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 365,535	\$ 380,535	\$ 379,381	\$ 1,154	100%
Services / Supplies	721,495	1,121,495	1,129,015	(7,520)	101%
Capital	-	-	-	-	0%
	\$ 1,087,030	\$ 1,502,030	\$ 1,508,395	\$ (6,365)	100%

- - - Detail - - -

Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 256,876	\$ 271,876	\$ 273,451	\$ (1,575)	101%
<i>Employee Benefits</i>	108,659	108,659	105,929	2,730	97%
<i>Total Personnel</i>	\$ 365,535	\$ 380,535	\$ 379,381	\$ 1,154	100%
Services / Supplies					
<i>Professional Services</i>	\$ 69,148	\$ 69,148	\$ 64,327	\$ 4,821	93%
<i>Employee Development</i>	4,480	4,480	2,492	1,988	56%
<i>Supplies / Equipment</i> <i>(Fuel - \$162,732, Parts / Repairs - \$91,610, Building - \$244,100)</i>	577,867	977,867	999,248	(21,381)	102%
<i>Utilities</i>	70,000	70,000	62,948	7,052	90%
<i>Other</i>	-	-	-	-	0%
<i>Total Services / Supplies</i>	\$ 721,495	\$ 1,121,495	\$ 1,129,015	\$ (7,520)	101%
Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
<i>Total Capital</i>	\$ -	\$ -	\$ -	\$ -	0%
Total Maintenance	\$ 1,087,030	\$ 1,502,030	\$ 1,508,395	\$ (6,365)	100%

Parks Division FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 1,309,354	\$ 1,329,354	\$ 1,300,195	\$ 29,159	98%
Services / Supplies	752,396	802,396	661,359	141,037	82%
Capital	<u>105,000</u>	<u>105,000</u>	<u>87,888</u>	<u>17,112</u>	<u>84%</u>
	\$ 2,166,750	\$ 2,236,750	\$ 2,049,441	\$ 187,309	92%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel					
<i>Salaries / Wages</i>	\$ 839,782	\$ 859,782	\$ 853,557	\$ 6,225	99%
<i>Employee Benefits</i>	<u>469,572</u>	<u>469,572</u>	<u>446,637</u>	<u>22,935</u>	<u>95%</u>
Total Personnel	\$ 1,309,354	\$ 1,329,354	\$ 1,300,195	\$ 29,159	98%

Services / Supplies					
<i>Professional Services</i>	\$ 339,234	\$ 339,234	\$ 268,624	\$ 70,610	79%
<i>Employee Development</i>	25,770	25,770	20,414	5,356	79%
<i>Supplies / Equipment</i>	253,142	303,142	261,708	41,434	86%
<i>Utilities</i>	133,300	133,300	105,708	27,592	79%
<i>Other</i>	<u>950</u>	<u>950</u>	<u>4,905</u>	<u>(3,955)</u>	<u>516%</u>
Total Services / Supplies	\$ 752,396	\$ 802,396	\$ 661,359	\$ 141,037	82%

Capital					
<i>Equipment / Vehicles</i>	105,000	105,000	87,888	17,112	84%
Total Capital	105,000	105,000	87,888	17,112	84%

Total Parks	\$ 2,166,750	\$ 2,236,750	\$ 2,049,441	\$ 187,309	92%
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Recreation Division FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 205,838	\$ 205,838	\$ 163,243	\$ 42,595	79%
Services / Supplies	358,505	358,505	205,873	152,632	57%
Capital	-	-	-	-	0%
	\$ 564,343	\$ 564,343	\$ 369,116	\$ 195,227	65%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 170,176	\$ 170,176	\$ 132,406	\$ 37,770	78%
<i>Employee Benefits</i>	35,662	35,662	30,837	4,825	86%
Total Personnel	\$ 205,838	\$ 205,838	\$ 163,243	\$ 42,595	79%

Services / Supplies					
<i>Professional Services</i>		\$ -	\$ -	\$ -	0%
<i>Employee Development</i>	10,525	10,525	4,593	5,932	44%
<i>Supplies / Equipment</i>	650	650	115	535	18%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Recreation Programs)</i>	347,330	347,330	201,165	146,165	58%
Total Services / Supplies	\$ 358,505	\$ 358,505	\$ 205,873	\$ 152,632	57%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Recreation	\$ 564,343	\$ 564,343	\$ 369,116	\$ 195,227	65%
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Equipment Replacement / Capital Schedule FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
City Manager Office Capital Outlay	-	-	-	-	0%
Finance Capital Outlay	-	-	-	-	0%
Human Resources Capital Outlay	-	-	-	-	0%
City Secretary Capital Outlay	-	-	-	-	0%
Information Services Capital Outlay	-	-	77,380	(77,380)	0%
Marketing Capital Outlay	-	-	-	-	0%
Police Dept Capital Outlay	155,000	155,000	80,969	74,031	52%
Fire Dept Capital Outlay	17,000	17,000	17,000	-	100%
Community Services Capital Outlay	-	-	-	-	0%
Streets Dept Capital Outlay	140,000	250,000	212,834	37,166	85%
Maintenance Capital Outlay	-	-	-	-	0%
City Parks Capital Outlay	105,000	105,000	87,888	17,112	84%
City Recreation Capital Outlay	-	-	-	-	0%
Total Expenditures	\$ 417,000	\$ 527,000	\$ 476,071	\$ 50,929	90%

Utility Fund Revenues

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Fees	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Electronic Payment</i>	\$ (182,000)	\$ (182,000)	\$ (181,890)	\$ (110)	100%
<i>Charges / Penalties</i>	102,000	102,000	72,225	29,775	71%
Total Fees	\$ (80,000)	\$ (80,000)	\$ (109,665)	\$ 29,665	137%

Licenses & Permits

<i>Construction Inspection</i>	\$ -	\$ -	\$ -	\$ -	0%
Total Licenses & Permits	\$ -	\$ -	\$ -	\$ -	0%

Charges for Services

<i>Water Sales</i>	\$ 5,696,163	\$ 5,696,163	\$ 5,217,432	\$ 478,731	92%
<i>Sewer Sales</i>	4,402,397	4,402,397	4,415,447	(13,050)	100%
<i>Inspection Fees</i>	4,100	4,100	5,410	(1,310)	132%
Total Charges for Service	\$ 10,102,660	\$ 10,102,660	\$ 9,638,289	\$ 464,371	95%

Interest

<i>Interest (Operations)</i>	\$ 30,000	\$ 30,000	\$ 6,607	\$ 23,393	22%
<i>Interest (Capital Projects)</i>	20,000	20,000	8,457	11,543	42%
Total Interest	\$ 50,000	\$ 50,000	\$ 15,064	\$ 34,936	30%

Impact Fees

<i>Impact Fees</i>	\$ 184,852	\$ 184,852	\$ 284,173	\$ (99,321)	154%
Total Impact Fees	\$ 184,852	\$ 184,852	\$ 284,173	\$ (99,321)	154%

Miscellaneous Income

<i>Miscellaneous Income</i>	\$ 5,000	\$ 5,000	\$ 1,430	\$ 3,570	29%
Total Miscellaneous Income	\$ 5,000	\$ 5,000	\$ 1,430	\$ 3,570	29%

Total Utility Fund Revenues	\$ 10,262,512	\$ 10,262,512	\$ 9,829,291	\$ 433,221	96%
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Utility Division FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired	100.0%
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--- Summary - Operations ---					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 1,793,029	\$ 1,803,029	\$ 1,674,816	\$ 128,213	93%
Services / Supplies	6,383,149	6,383,149	6,600,061	(216,912)	103%
Capital	225,000	240,000	119,148	120,852	50%
Total Utility Division	\$ 8,401,178	\$ 8,426,178	\$ 8,394,025	\$ 32,153	100%

--- Detail - Operations ---					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
Salaries / Wages	\$ 1,203,096	\$ 1,213,096	\$ 1,122,992	\$ 90,103	93%
Employee Benefits	589,933	589,933	551,824	38,109	94%
Total Personnel	\$ 1,793,029	\$ 1,803,029	\$ 1,674,816	\$ 128,213	93%

Services / Supplies					
Professional Services	\$ 429,323	\$ 429,323	\$ 283,835	\$ 145,488	66%
Employee Development	63,428	63,428	48,121	15,307	76%
Supplies / Equipment	84,362	84,362	80,750	3,612	96%
Utilities	375,136	375,136	391,235	(16,099)	104%
Other (Well Lot Maintenance)	953,085	953,085	1,357,086	(404,001)	142%
Sub-Total - Operations Services / Supplies	\$ 1,905,334	\$ 1,905,334	\$ 2,161,028	\$ (255,694)	113%

Wholesale Water / Wastewater					
Note: UTRWD billing reflects a one month delay					
UTRWD - Administration Fees	\$ 5,105	\$ 5,105	\$ 5,103	\$ 2	100%
UTRWD - Water Volume Cost	903,036	903,036	903,161	(125)	100%
UTRWD - Water Demand Charges	1,365,450	1,365,450	1,365,450	-	100%
UTRWD - Sewer Effluent Volume Rate	619,814	619,814	582,042	37,772	94%
UTRWD - Capital Charge Joint Facilities	1,350,870	1,350,870	1,350,870	-	100%
UTRWD - HV Sewer Line to UTRWD	233,540	233,540	232,408	1,132	100%
UTRWD - Wtr Transmission - Opus Develop	-	-	-	-	0%
Sub-Total - Wholesale Water / Wastewater	\$ 4,477,815	\$ 4,477,815	\$ 4,439,033	\$ 38,782	99%

Total Services / Supplies	\$ 6,383,149	\$ 6,383,149	\$ 6,600,061	\$ (216,912)	103%
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Capital					
Equipment / Vehicles	225,000	240,000	119,148	120,852	50%
Total Capital	\$ 225,000	\$ 240,000	\$ 119,148	\$ 120,852	50%

Total Utility Division - Operations	\$ 8,401,178	\$ 8,426,178	\$ 8,394,025	\$ 32,153	100%
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Utility Fund Working Capital FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Water Sales</i>	\$ 5,696,163	\$ 5,696,163	\$ 5,217,432	\$ 478,731	92%
<i>Sewer Sales</i>	4,402,397	4,402,397	4,415,447	(13,050)	100%
<i>Other Fees / Charges</i>	111,100	111,100	79,065	32,035	71%
<i>Electronic Payment Credit</i>	(182,000)	(182,000)	(181,890)	(110)	100%
<i>Interest</i>	30,000	30,000	6,607	23,393	22%
Total Revenues	\$ 10,057,660	\$ 10,057,660	\$ 9,536,661	\$ 520,999	95%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Administration</i>	\$417,071	\$427,071	\$ 420,652	\$ 6,418	98%
<i>Operations</i>	3,281,292	3,281,292	3,415,192	(133,900)	104%
<i>UTRWD</i>	4,477,815	4,477,815	4,439,033	38,782	99%
<i>Debt Service</i>	1,228,139	1,228,139	1,227,142	997	100%
<i>Capital Projects</i>	-	-	-	-	0%
<i>Equipment Replace / Capital</i>	225,000	240,000	119,148	120,852	50%
Total Expenditures	\$ 9,629,317	\$ 9,654,317	\$ 9,621,167	\$ 33,150	100%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Transfers In (Applied Impact Fees)</i>	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	100%
<i>Operating Transfers Out / Utility Capital Projects</i>	-	-	-	-	0%
<i>Operating Transfers Out / General Fund</i>	(470,000)	(470,000)	(470,000)	-	100%
Total Other Sources (Uses)	\$ (320,000)	\$ (320,000)	\$ (320,000)	\$ -	100%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Net Increase/Decrease</i>	108,343	83,343	(404,507)
Beginning Working Capital			
<i>Operations</i>	2,063,070	2,063,070	2,063,070
<i>Available Impact Fees</i>	1,046,951	1,046,951	1,046,951
Total Available Working Capital	\$ 3,110,021	\$ 3,110,021	\$ 3,110,021
Ending Working Capital			
<i>Operations</i>	2,171,413	2,146,413	1,658,563
<i>Designated Capital Project</i>	-	-	-
<i>Available Impact Fees</i>	1,081,803	1,081,803	1,181,124
Total Available Working Capital	\$ 3,253,216	\$ 3,228,216	\$ 2,839,687

<i>Impact Fees</i>			
<i>Beginning Balance</i>	1,046,951	1,046,951	1,046,951
<i>+ Collections</i>	184,852	184,852	284,173
<i>- Applied to offset Debt Service</i>	(150,000)	(150,000)	(150,000)
<i>Ending Balance</i>	1,081,803	1,081,803	1,181,124

*The working Capital Analysis is prepared to provide a picture of the "cash position" of this enterprise fund. Income restricted for specific use and non-operating expenses are excluded. Impact fees are excluded from revenues, however included for working capital balances - as they are available to address contingency expenditures.

Corps Leased Parks Fund FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Park Entry Fees</i>	\$ 538,550	\$ 538,550	\$ 561,537	\$ (22,987)	104%
<i>Annual Park Passes</i>	48,000	48,000	55,250	(7,250)	115%
<i>Concession Sales</i>	-	-	-	-	0%
<i>Interest</i>	200	200	23	177	11%
Total Revenues	\$ 586,750	\$ 586,750	\$ 616,809	\$ (30,059)	105%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ 182,245	\$ 202,245	\$ 190,529	\$ 11,716	94%
<i>Services / Supplies</i>	207,218	229,218	196,310	32,908	86%
<i>Capital</i>	-	-	-	-	0%
Total Expenditures	\$ 389,463	\$ 431,463	\$ 386,838	\$ 44,624	90%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In / General Fund</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 400,022	\$ 406,008	\$ 406,008
<i>+ Net Increase (Decrease)</i>	197,287	155,287	229,971
Ending Fund Balance	\$ 597,309	\$ 561,295	\$ 635,979

Audited FY20

Debt Service Fund

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Property Tax Revenues</i>	\$2,046,737	\$ 2,046,737	\$ 2,050,056	\$ (3,319)	100%
<i>Interest Income</i>	5,000	5,000	201	4,799	4%
Total Revenues	\$ 2,051,737	\$ 2,051,737	\$ 2,050,257	\$ 1,480	100%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Principal Payments</i>	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ -	100%
<i>Interest Payments</i>	590,220	590,220	590,068	152	100%
<i>Paying Agent Fees</i>	3,000	3,000	2,931	69	98%
Total Expenditures	\$ 2,843,220	\$ 2,843,220	\$ 2,843,000	\$ 220	100%

Other Sources (Uses)	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Transfers In (Out) [To 4B]</i>	804,482	804,482	804,482	\$ 0	100%
<i>Proceeds from Refunding Debt</i>	-	-	-	-	0%
<i>Debt Issuance Cost</i>	-	-	-	-	0%
<i>Payment to Escrow Agent</i>	-	-	-	-	0%
Total Financing Sources	\$ 804,482	\$ 804,482	\$ 804,482	\$ 0	100%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 123,770	\$ 126,236	\$ 126,236
<i>+ Net Increase (Decrease)</i>	12,999	12,999	11,739
Ending Fund Balance	\$ 136,769	\$ 139,235	\$ 137,975

Audited FY20

Capital Projects Fund

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Grants	\$ -	\$ -	\$ -	\$ -	0%
Contributions	80,000	80,000	67,645	12,355	85%
Interest Income	15,000	15,000	7,585	7,415	51%
Total Revenues	\$ 95,000	\$ 95,000	\$ 75,230	\$ 19,770	100%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
2018 GO Bond (Parks/Streets/Drainage)	2,771,154	2,771,154	942,559	1,828,595	34%
2018 Bond Issue (Streets)	978,854	978,854	232,768	746,086	24%
2018 Bond Issue (Parks)	1,792,300	1,792,300	709,791	1,082,509	40%
Total Expenditures	\$ 2,771,154	\$ 2,771,154	\$ 942,559	\$ 1,828,595	34%

Other Financing Sources (Uses)	Original Budget	Revised Budget	Year to Date	Variance	% Received
Bond Issue Proceeds	\$ -	\$ -	\$ -	\$ -	0%
Bond Discount / Premium	-	-	-	-	0%
Debt Issuance	-	-	-	-	0%
Transfers In	-	-	-	-	0%
Transfer Out	-	-	-	-	0%
Total Financing Sources	\$ -	\$ -	\$ -	\$ -	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning fund balance</i>	\$ 2,777,849	\$ 3,222,762	\$ 3,222,762
<i>+Net Increase (Decrease)</i>	(2,676,154)	(2,676,154)	(867,329)
Ending Fund Balance	\$ 101,695	\$ 546,608	\$ 2,355,433

Audited FY20

Drainage Utilities FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Drainage Conversion Fee</i>	\$ -	\$ -	\$ 12,964	\$ (12,964)	0%
<i>Drainage Fee Receipts</i>	505,000	505,000	504,530	470	100%
<i>Miscellaneous</i>	-	-	-	-	0%
<i>Interest</i>	4,000	4,000	119	3,881	3%
Total Revenues	\$ 509,000	\$ 509,000	\$ 517,613	\$ (8,613)	102%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ 377,298	\$ 377,298	\$ 332,443	\$ 44,855	88%
<i>Services / Supplies</i>	138,385	138,385	125,665	12,720	91%
<i>Capital</i>	30,000	30,000	16,049	13,951	53%
Total Expenditures	\$ 545,683	\$ 545,683	\$ 474,157	\$ 71,526	87%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Transfers In - City Impervious / General Fund</i>	\$ 36,000	\$ 36,000	\$ 16,000	\$ 66	44%
<i>Operating TransfersOut / General Fund</i>	(16,000)	(16,000)	(16,000)	(16,000)	100%
Total Other Sources (Uses)	\$ 20,000	\$ 20,000	\$ -	\$ (15,934)	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 295,384	\$ 333,898	\$ 333,898
<i>+ Net Increase (Decrease)</i>	(16,683)	(16,683)	43,456
Ending Fund Balance	\$ 278,701	\$ 317,215	\$ 377,354

Audited FY20

Park Development Fee Fund FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Interest</i>	\$ -	\$ -	\$ 47	\$ (47)	0%
<i>Community Park Fees</i>	-	-	851	(851)	0%
<i>Linear Park Fees</i>	-	-	-	-	0%
<i>Neighborhood Park Fees</i>	-	-	-	-	0%
<i>Service Area II</i>	-	-	-	-	0%
<i>Service Area IV</i>	-	-	-	-	0%
Total Revenues	\$ -	\$ -	\$ 898	\$ (898)	0%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Unity Park</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Capital Outlay (Unity Park)</i>	-	-	-	-	0%
<i>Capital Outlay (Village Park)</i>	-	-	-	-	0%
<i>Capital Outlay - (St James development, Area I)</i>	-	-	-	-	0%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	0%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out (Funding for projects at Unity Park with FY2012 bond)</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 80,081	\$ 80,076	\$ 80,076
<i>+ Net Increase (Decrease)</i>	-	-	898
Ending Fund Balance	\$ 80,081	\$ 80,076	\$ 80,974

Audited FY20

Ending Fund Balance Detail	Original Budget	Year to Date
<i>Community Park Fees</i>	\$ -	-
<i>Linear Park Fees</i>	-	-
<i>Neighborhood Park Fees (Area I)</i>	-	-
<i>Neighborhood Park Fees (Area II)</i>	80,081	80,123
<i>Neighborhood Park Fees (Area IV)</i>	-	-
Total	\$ 80,081	\$ 80,123

Public Safety Special Revenue Fund

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

Percent of Budget Year Transpired	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues	\$ 26,070	\$ 40,070	\$ 107,227	\$ (67,157)	268%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Services / Supplies</i>	3,600	17,600	8,567	9,033	49%
<i>Capital</i>	-	-	-	-	0%
Total Expenditures	\$ 3,600	\$ 17,600	\$ 8,567	\$ 9,033	49%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out</i>	(20,000)	(20,000)	-	(20,000)	0%
Total Other Sources (Uses)	\$ (20,000)	\$ (20,000)	\$ -	\$ (20,000)	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 26,499	\$ 28,406	\$ 28,406
<i>+ Net Increase (Decrease)</i>	2,470	2,470	98,660
Ending Fund Balance	\$ 28,969	\$ 30,876	\$ 127,066

Audited FY20

Municipal Court Technology Fee Fund FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues	\$ 3,500	\$ 3,500	\$ 2,326	1,174	66%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Services / Supplies</i>	\$ 12,525	\$ 12,525	\$ 8,946	\$ 3,579	71%
<i>Total Expenditures</i>	\$ 12,525	\$ 12,525	\$ 8,946	\$ 3,579	71%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out</i>	-	-	-	-	0%
<i>Total Other Sources (Uses)</i>	\$ -	\$ -	\$ -	\$ -	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 21,911	\$ 21,998	\$ 21,998
<i>+ Net Increase (Decrease)</i>	(9,025)	(9,025)	(6,620)
<i>Ending Fund Balance</i>	\$ 12,886	\$ 12,973	\$ 15,378

Audited FY20

Municipal Court Building Security Fund FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues (Court Fines)	\$ 2,750	\$ 2,750	\$ 2,795	\$ (45)	102%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel (Bailiff)</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Services / Supplies</i>	-	-	-	-	0%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
Beginning Fund Balance	\$ 38,223	\$ 38,197	\$ 38,197
+ Net Increase (Decrease)	2,750	2,750	2,795
Ending Fund Balance	\$ 40,973	\$ 40,947	\$ 40,992

Audited FY20

Highland Village Community Development Corporation
Working Capital Analysis (FY 2021)

	<i>Actual</i> 2018-2019	<i>Actual</i> 2019-2020	<i>Budget</i> 2020-2021	<i>YTD</i> 2020-2021
Beginning Fund Balance	\$ 30,523	\$ 98,102	\$ 70,647	\$ 117,323
Revenues				
4B Sales Tax	1,384,756	1,381,630	1,348,631	1,532,222
Park Fees (Rental)	54,651	41,854	44,000	53,580
Linear Park Fees	-	-	-	-
Miscellaneous Income	-	-	-	1,000
Interest Income	734	633	800	60
Total	\$ 1,440,141	\$ 1,424,117	\$ 1,393,431	\$ 1,586,861
Expenditures				
<i>Personnel</i>	311,612	324,743	370,603	302,812
Services / Supplies	182,692	213,475	208,614	187,157
Reimburse GF (Support Functions)	-	28,000	28,000	28,000
Reimburse GF (Debt Service)	834,827	808,286	804,482	804,482
Total Non-Capital Expenditures	\$ 1,329,131	\$ 1,374,504	\$ 1,411,699	\$ 1,322,450
Capital				
Engineering	-	-	-	-
Projects Funded Directly	-	30,392	-	-
Transfer to 4B Capital Projects	-	30,392	-	-
Equipment	43,431	-	-	-
Net Increase / (Decrease)	67,579	19,221	(18,268)	264,411
Working Capital Balance	\$ 98,102	\$ 117,323	\$ 52,379	\$ 381,734

PEG Fee Fund

FY 2020/2021 Budget

YEAR TO DATE SEPTEMBER

<i>Percent of Budget Year Transpired</i>	100.0%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>PEG Fee Receipts</i>	\$ 42,772	\$ 42,772	\$ 38,629	\$ 4,143	90%
Total Revenues	\$ 42,772	\$ 42,772	\$ 38,629	\$ 4,143	90%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Services / Supplies</i>	7,600	7,600	3,835	3,765	50%
<i>Capital</i>	21,000	31,000	29,890	1,110	0%
Total Expenditures	\$ 28,600	\$ 38,600	\$ 33,725	\$ 4,875	87%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning fund balance</i>	\$ 122,098	\$ 118,660	\$ 118,660
<i>+Net Increase (Decrease)</i>	14,172	4,172	4,903
Ending Fund Balance	\$ 136,270	\$ 122,832	\$ 123,563

Audited FY20

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 15

MEETING DATE: 12/14/2021

SUBJECT: Quarantine Leave Policy for public safety personnel

PREPARED BY: Jana Onstead, Human Resources Director

BACKGROUND:

The Texas Legislature passed House Bill 2073 which enacted Texas Local Government Code Section 180.008 to require government entities who employ certain public safety personnel to provide paid leave in the event such personnel are ordered to quarantine as a result of a possible or known exposure to a communicable disease while on duty.

IDENTIFIED NEED/S:

Highland Village personnel who qualify for leave under this legislation include emergency medical technicians (EMT, Paramedic), firefighters, and police officers.

If a qualified employee is exposed to a communicable disease while performing in the course and scope of employment, and is ordered to quarantine by a medical doctor or the County Health Department, the City is required to provide paid quarantine leave and reimburse the employee for any related expenses. Also, any accrued personal, sick, or vacation leave cannot be reduced as a result of quarantine-related leave.

OPTIONS & RESULTS:

Upon approval, the policy (exhibit 1) will be incorporated into the City of Highland Village Personnel Policies.

PROGRESS TO DATE: (if appropriate)

Utilizing a sample policy provided by the Texas Municipal League, staff has provided a policy (exhibit 1) that includes all of the requirements in the new legislation. The City Attorney's office has reviewed and approved this policy.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

With the wide availability of vaccines along with current cleaning and safety practices related to COVID-19, this new legislation is not expected to impact the City budget significantly. It's important to note that this policy applies to any disease that requires quarantine upon exposure.

RECOMMENDATION:

Approve Resolution 2021-2979 adopting the Quarantine Leave Policy.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2979

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS ADOPTING A PAID QUARANTINE LEAVE POLICY FOR CERTAIN PUBLIC SAFETY PERSONNEL, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Texas Local Government Code §180.008 was enacted effective June 15, 2021, requiring government entities to adopt a paid quarantine leave policy for detention officers, municipal emergency medical technicians, firefighters, and peace officers employed by the City who are ordered to quarantine due to a possible or known exposure to a communicable disease while on duty; and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to adopt the above-described policy in compliance with state law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The Paid Quarantine Leave Policy set forth in Exhibit A, attached hereto and incorporated herein by reference, is hereby adopted as an official policy of the City.

SECTION 2. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED this the 14th day of December 2021.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:11/24/2021:126269)

Resolution No. 2021-2979
Exhibit "A"

PAID QUARANTINE LEAVE POLICY

Statement of Purpose/Applicability

Pursuant to Texas Local Government Code Section 180.008, the City of Highland Village hereby adopts this paid quarantine leave policy for fire fighters, peace officers, and emergency medical technicians who are employed by the city and ordered to quarantine or isolate due to a possible or known exposure to a communicable disease while on duty.

Definitions

- "Emergency medical technician" means an individual who is employed by the city and certified as an emergency medical technician under Chapter 773, Health and Safety Code.
- "Fire fighter" means a paid employee of the city's fire department who: (a) holds a position that requires substantial knowledge of firefighting; (b) has met the requirements for certification by the Texas Commission on Fire Protection under Chapter 419, Government Code; and (c) performs at least one of the following functions: (i) fire suppression; (ii) fire prevention; (iii) fire training; (iv) fire safety education; (v) fire maintenance; (vi) fire communications; (vii) fire medical emergency technology; (viii) fire photography; (ix) fire administration; or (x) fire arson investigation.
- "Health authority" means a physician appointed by the county to administer state and local laws relating to public health within the city's jurisdiction.
- "Paid quarantine leave" means: (1) all employment benefits and compensation, including leave accrual, pension benefits, and health benefit plan benefits provided by the city; and (2) if applicable, reimbursement for reasonable costs related to the quarantine, including lodging, medical, and transportation costs.
- "Peace officer" means police officers licensed by the Texas Commission on Law Enforcement and employed by the city.

Quarantine Leave

A City of Highland Village fire fighter, peace officer, or emergency medical technician who is ordered to quarantine or isolate by the person's supervisor, physician, or the Denton County health authority due to a possible or known exposure to a communicable disease while on duty is entitled to receive paid quarantine leave for the duration of the person's quarantine.

The City of Highland Village will not reduce a fire fighter's, peace officer's, or emergency medical technician's sick leave balance, vacation leave balance, holiday leave balance, or other paid leave balance in connection with paid quarantine leave taken in accordance with this policy.

Employees to whom this policy applies who are ordered to quarantine are required to contact the Human Resources Department within 24 hours of the order, or next business day.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 16

MEETING DATE: 12/14/2021

SUBJECT: Consider Resolution 2021-2980 authorizing a release and quitclaim of any interest in a fifteen-foot (15') water line easement located on Lot 40 Block 1 Lake Vista Estates, City of Highland Village

PREPARED BY: Scott Kriston, Director of Public Works

BACKGROUND:

In order to facilitate the development of Lot 40, Block 1 of Lake Vista Estates (421 Lake Vista E.), the owner of the property has requested that the existing 15-foot water line easement be abandoned. After researching the Denton County property records and the City's internal records, staff and the City Attorney could not find any record that title to the existing water line easement granted to Urban Services, Inc. in 1968 was transferred to the City. Absent such evidence that the City actually owns the easement, the best the City can do is quitclaim to the present owner whatever interest the City does own, which may be none. The easement is of no use to the City and would not affect the water distribution system. As a result, staff is of the opinion the quitclaiming any interest the City might have in the identified easement can be done without detriment to the public.

IDENTIFIED NEED/S:

Quitclaim the City's interest, if any, in the identified easement to allow development of the affected property.

OPTIONS & RESULTS:

Failing to approve the requested abandonment will limit the ability to develop Lot 40, Block 1 of the subdivision. Approving the request will allow Lot 40 to be developed in a manner consistent with the remainder of the subdivision.

PROGRESS TO DATE: (if appropriate)

The property owner has provided a survey of the easement. The City Attorney has prepared the appropriate council Resolution and release document.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

No budgetary impact.

RECOMMENDATION:

Approve Resolution 2021-2980.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2980

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING RELEASE AND QUITCLAIM OF INTEREST IN A WATER LINE EASEMENT AFFECTING LOT 40, BLOCK 1, LAKE VISTA ESTATES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Highland Village, Texas, acting pursuant to law and upon the request of the owner of the underlying fee title of the property, is of the opinion and finds that said tracts are not needed for public use and should be abandoned and vacated and deems it advisable and in the public interest to abandon and quitclaim the hereinafter described interests in real property subject to the reservations and conditions of this document.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized, on behalf of the City of Highland Village, to execute such documents as may be approved as to form by the City Attorney to quitclaim all right, title, and interest, if any, in the 15 foot water line easement affecting the property described as Lot 40, Block 1, Lake Vista Estates, an addition to the City of Highland Village, Denton County, Texas, according to the plat thereof recording in Cabinet 3, Page 52, Plat Records, Denton County, Texas, and originally granted to Urban Services, Inc. by instrument dated February 19, 1968, and recorded in Volume 562, Page 671, Deed Records, Denton County, Texas.

SECTION 2. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED this the 14th day of December 2021.

APPROVED:

Charlotte L. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl 11/29/21:126311)

**CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING**

AGENDA# 17

MEETING DATE: 12/14/2021

SUBJECT: Consider Resolution 2021-2982 Authorizing the Purchase of a F-750 Dump Truck from Silsbee Ford through the City's Cooperative Purchasing Agreement with the State of Texas Purchasing Cooperative ("GOODBUY")

PREPARED BY: Scott Kriston, Director of Public Works

BACKGROUND

During the budget process, the Fleet Maintenance division works with each division in evaluating their present vehicle and equipment inventory and need for the upcoming budget year. The City criteria for vehicle replacement is based on vehicle mileage of approximately 100,000 miles, repair history and age of vehicle. Equipment replacement is based on the repair history, age, hours of service and increased needs for each division.

IDENTIFIED NEED/S:

In this fiscal budget year 2021/2022, under the equipment replacement schedule, staff identified the equipment that satisfies the City's criteria for replacement. Equipment being replaced will no longer be needed for City operations and will be sold in accordance with applicable state law and City policies upon the City Council's determination that such vehicle constitutes surplus property and may be sold.

PROGRESS TO DATE: (if appropriate)

In the process of taking bids as required by state law, City staff found that in working through the State of Texas Purchasing Cooperative ("GOODBUY"), vehicles meeting or exceeding all specifications for the vehicles could be purchased for the best price. All fees are included in the total price.

GOODBUY obtained the needed vehicle through Silsbee Ford.

<u>Division</u>	<u>Quantity</u>	<u>Description</u>	<u>Cost</u>
Utility	1	2021 F-750 Dump Truck	\$89,550.11
Total Utility Purchase Cost			\$89,550.11

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Approved in FY 2021/2022 Vehicle / Equipment Replacement Budget.

RECOMMENDATION:

Approve Resolution 2021-2982

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2982

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING THE PURCHASE OF AN F-750 DUMP TRUCK VEHICLE FROM SILSBEE FORD THROUGH THE CITY'S COOPERATIVE PURCHASING AGREEMENT WITH THE STATE OF TEXAS PURCHASING COOPERATIVE "GOODBUY"; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to its review of the City's vehicle and equipment in accordance with the City's replacement policies, City Administration has identified the need to replace one dump truck vehicle for the Public Works Department; and

WHEREAS, City Administration, while in the process of soliciting bids in accordance with state law, determined that the purchase of an F-750 Dump Truck complies with City specifications can be made for the lowest price from Silsbee Ford through the City's cooperative purchasing agreement with the State of Texas Purchasing Cooperative ("GOODBUY"); and

WHEREAS, upon taking delivery of the new vehicle described above, the vehicle being replaced will not be needed for use in City operations and will constitute surplus personal property; and

WHEREAS, the City Council of the City of Highland Village finds it to be in the public interest to authorize the above-described purchase and to authorize the sale of the replaced vehicle;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to purchase one (1) F-750 Dump Truck vehicle from Silsbee Ford through the City's cooperative purchasing agreement with GOODBUY in the amount of \$89,550.11 from funds available in the FY 2021-2022 Utility budget.

SECTION 2. The dump truck being replaced by the vehicle purchased pursuant to the authority of Section 1, above, shall constitute surplus personal property upon delivery to the City of the new vehicle described above and may be sold in accordance with applicable state law and City policies.

SECTION 3. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON THIS 14TH DAY OF DECEMBER 2021.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:12/9/21:126570)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 19

MEETING DATE: 12/14/2021

SUBJECT: Consider all matters incident and related to the issuance and sale of "City of Highland Village, Combination Tax and Revenue Certificates of Obligation, Series 2021" including the adoption of an ordinance authorizing the issuance of such certificates of obligations.

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND

Articulated in the FY 2022 Budget Process, the Capital Improvement Program identified a capital projects program to address both Parks and Streets projects totaling \$15.23 M with issuance of a Certificate of Obligation to coincide with expiring debt.

IDENTIFIED NEED/S:

Certificates of Obligation (COs) are generally utilized to finance items that maintain City Infrastructure. A CO is what Highland Village has typically chosen for utility and parks / streets maintenance issues, as it has less stringent issuance requirements and will have a favorable interest rate similar to the GO Bond. Accordingly, a CO in the amount of \$15.75 M is proposed to fund identified utility projects. This issuance is in conjunction with a \$15.3 M refunding bond that was approved at the November 9th Council Meeting and closed on December 7th. Combining the two issues provides issuance cost efficiencies.

OPTIONS & RESULTS:

For this issue, the City only obtained a single bond rating – from Standard & Poor’s (S&P). S&P confirmed the current AAA bond rating for this issue. This strong rating enables the City to forgo bond Insurance, providing reduced issuance costs to the City.

A notice of intent to issue these certificates was approved by Council and advertised accordingly in October. The “Intent to Issue” procedure states Council’s intent to issue debt for a specific purpose.

- 1) \$8.85 M for street and drainage capital projects. Street / drainage issues are driven by an on-going five-year outlook for needed capital projects. Anticipated projects with this issuance includes:

<u>Reconstruction Projects</u>
Highland Shores Blvd (Briahill to Twin Covers-eng)
Highland Village Rd (Brazos to KCS RR - eng)
Various (28 streets meeting criteria)
<u>Overlay Projects</u>
Sellmeyer Lane (Foggy Glen to Brazos)
Sellmeyer Lane (Brazos to Victoria)
Highland Shores Blvd (HV Rd to Briarhill)
<u>Traffic Control</u>
Traffic signal Imp. Brazos / HV Rd
Pedestrian crossing HS Blvd. at Community Center Dr.
<u>Drainage Projects</u>
Wal-Mart pond dredge
Quail Cove pond dredge
Turpin Dr / Sellmeyer Lane drainage Improve
Silverthorne Park creek bank stabilization
Highland Shores Blvd. underdrain

- 2) \$6.413 M for park improvements. Park improvements are addressed periodically to address infrastructure replacement / renovation to maintain park assets. Anticipated projects with this issuance includes:

<u>Highland Village Tennis Center Improvements</u>
LED lighting upgrades and Musco controls
<u>Pilot Knoll Improvements</u>
Campground / Shelters improvements
Replace gatehouse
Boat Ramp improvements
Expand camping options with rental cabins (16) - also providing ongoing revenue stream for Corps parks
<u>Unity Park Improvements</u>
Tennis court resurfacing
Lighted basketball courts
Field renovations
Replace portion of turf in Dog Park with synthetic grass
Replace baseball fencing
Add backstop netting
<u>Other Parks</u>
Sellmeyer tennis fencing / windscreen replace
Lions Club Park parking lot
Village Park fishing pier renovation
Brazos Park field renovation
Sellmeyer Park playground replace

Remaining steps following approval by City Council:

12/14/2021	Council Approves Ordinance Authorizing the Issuance of the Certificates of Obligation, Series 2021
12/30/2021	Closing of CO Bond, Series 2021 and delivery of funds to the City

RECOMMENDATION:

Council to approve Ordinance 2021-1291 (Only one read of the ordinance is required for bond issuance).

ORDINANCE NO. 2021-1291

AN ORDINANCE authorizing the issuance of "CITY OF HIGHLAND VILLAGE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021"; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues derived from the operation of the City's Water and Sewer System; providing the terms and conditions of such certificates of obligation and resolving other matters incident and relating to the issuance, payment, security, sale, and delivery of said certificates of obligation, including the approval and execution of a Paying Agent/Registrar Agreement and the approval and distribution of a Preliminary Official Statement and an Official Statement pertaining thereto; and providing an effective date.

WHEREAS, notice of the City Council's intention to issue certificates of obligation in the maximum principal amount not to exceed \$15,750,000 for the purpose of paying contractual obligations to be incurred for (i) constructing and improving streets, including drainage, landscaping, lighting, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization and street noise abatement incidental thereto and the acquisition of land and rights-of-way therefor, (ii) constructing, equipping and improving municipal park and recreation facilities and the acquisition of land and rights-of-way therefor and (iii) professional services rendered in relation to such projects and the financing thereof, has been (a) duly published in the *Denton-Record Chronicle*, a newspaper of general circulation in the City of Highland Village, Texas on October 2, 2021, and on October 9, 2021, the date the first publication of such notice being not less than forty-six (46) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates and (b) duly published continuously on the City's website for at least forty-five (45) days before the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of the certificates of obligation described in the aforesaid notice, signed by at least 5% of the qualified voters of the City, has been presented to or filed with the City Secretary on or prior to the date of the passage of this Ordinance; and

WHEREAS, the City Council hereby finds and determines that \$_____ in total principal amount of the certificates of obligation described in such notice should be authorized at this time; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE:

SECTION 1. Authorization, Designation, Principal Amount, Purpose. Certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$_____, to be designated and bear the title "CITY OF HIGHLAND VILLAGE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021" (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations of the City to be incurred for (i) constructing and improving streets, including drainage, landscaping, lighting, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization and street noise abatement incidental thereto and the acquisition of land and rights-of-way therefor, (ii) constructing, equipping and improving municipal park and recreation facilities and the acquisition of land and rights-of-way therefor and (iii) professional services rendered in relation to such

projects and the financing thereof, pursuant to authority conferred by, and in conformity with, the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended.

SECTION 2. Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Certificates are issuable in fully registered form only; shall be dated December 15, 2021 (the "Certificate Date"); and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity), and the Certificates shall become due and payable on February 15 in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

The Certificates shall bear interest on the unpaid principal amount thereof from the date of delivery to the initial purchasers at the per annum rates shown above (calculated on the basis of a 360-day year of twelve 30-day months), and interest shall be payable on each February 15 and August 15 commencing February 15, 2022, until maturity or prior redemption.

SECTION 3. Payment of Certificates - Paying Agent/Registrar. The principal of, premium, if any, and interest on the Certificates, due and payable by reason of maturity, redemption or otherwise, shall be payable, only to the registered owners or holders of the Certificates (hereinafter called the "Holders") appearing on the Security Register (defined below) maintained by the Paying Agent/Registrar and the payment thereof shall be without exchange or collection charges to the registered owner thereof, in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, to serve as Paying Agent/Registrar for the Certificates is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the principal office of the Paying Agent/Registrar, books and records for the registration, payment, and transfer of the Certificates (the "Security Register"), all as provided herein, in accordance with the terms

and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe; and the Mayor or Mayor Pro Tem and City Secretary are authorized to execute and deliver such Agreement in connection with the delivery of the Certificates. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

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

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

SECTION 4. Redemption.

(a) Optional Redemption. The Certificates having Stated Maturities on and after February 15, 20__, shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 20__, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

(b) Exercise of Redemption Option. At least forty-five (45) days prior to an optional redemption date for the Certificates (unless a shorter notification period shall be satisfactory to

the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Certificates, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor.

(c) Mandatory Redemption. The Certificates having Stated Maturities of February 15 in the years 20__, 20__, 20__ and 20__ (collectively, the "Term Certificates") shall be subject to mandatory redemption in part prior to maturity at the redemption price of par and accrued interest to the date of redemption on the respective dates and in principal amounts as follows:

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ ____,000
February 15, 20__*	\$ ____,000

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ ____,000
February 15, 20__*	\$ ____,000

Term Certificates due February 15, 2034	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ ____,000
February 15, 20__*	\$ ____,000

Term Certificates due February 15, 2036	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ ____,000
February 15, 20__*	\$ ____,000

Term Certificates due February 15, 2038	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ ____,000
February 15, 20__*	\$ ____,000

*stated maturity

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

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

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

(e) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States mail, first class postage

prepaid, in the name of the City and at the City's expense, to each Holder of a Certificate to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether or not received by the Holder.

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

(f) Conditional Notice of Redemption. With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption may, at the option of the City, be conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

SECTION 5. Registration-Transfer-Exchange of Certificates-Predecessor Certificates. A Security Register relating to the registration, payment, and transfer or exchange of the Certificates shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Certificates issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Certificate may, in accordance with its terms and the terms hereof, be transferred or exchanged for Certificates of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon the surrender for transfer of any Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates, executed on

behalf of, and furnished by, the City, of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest, and of like aggregate principal amount as the Certificates surrendered for exchange upon the surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates, executed on behalf of, and furnished by the City, to the Holder requesting the exchange.

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

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

Certificates canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Certificates" shall include any Certificate registered and delivered pursuant to Section 24 hereof in lieu of a mutilated, lost, destroyed, or stolen Certificate, which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

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

SECTION 6. Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Ordinance relating to the payment and transfer/exchange of the Certificates, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Certificates.

Pursuant to the Depository Agreement and the rules of DTC the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the "DTC Participants").

While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City decides to discontinue use of the system of book-entry transfers through DTC, the City covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and provide for Certificate certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions of Section 3, 4, and 5 hereof.

SECTION 7. Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signatures of said officers and the seal of the City on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of said individuals who are or were the proper officers of the City on the Certificate Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or any of them shall cease to hold such offices prior to the delivery of the Certificates to the initial purchaser(s), and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially as set forth in the form of the Initial Certificate provided in Section 9(b), manually executed by the Comptroller of Public Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially as set forth in the form of the definitive Certificates provided in Section 9(c), manually executed by an authorized officer, employee, or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered, and delivered.

SECTION 8. Initial Certificate. The Certificates herein authorized shall be initially issued as a single fully registered Certificate in the total principal amount as provided in Section 1 hereof with the principal amount to become due and payable as provided in Section 2 hereof and numbered T-1 (hereinafter referred to as the "Initial Certificate") and the Initial Certificate shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Certificate shall be the Certificate submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Certificate, the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Certificate delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturity, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9. Forms. (a) Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration of the Paying Agent/Registrar, and the form of Assignment to be printed on the Certificates, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on any insured Certificates and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or be determined by the officers executing such Certificates as evidenced by their execution thereof. Any portion of the text of any Certificate may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The definitive Certificates shall be printed, lithographed, typewritten, photocopied, engraved, or produced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution thereof, and the Initial Certificate submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

The City may provide (i) for issuance of one fully registered Certificate for each Stated Maturity in the aggregate principal amount of such Stated Maturity and (ii) for registration of such Certificate in the name of a securities depository, or the nominee thereof. While any Certificate is registered in the name of a securities depository or its nominee, references herein and in the Certificates to the Holder or owner of such Certificate shall mean the securities depository or its nominee and shall not mean any other person.

(b) Form of Initial Certificate.

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF HIGHLAND VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2021

Certificate Date:
December 15, 2021

Registered Owner: _____

Principal Amount: ____ MILLION ____ HUNDRED ____ THOUSAND DOLLARS

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

<u>YEAR</u>	<u>PRINCIPAL INSTALLMENTS</u>	<u>INTEREST RATE</u>
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(Information to be inserted from Section 2 hereof)

and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date in which case it shall bear interest from the date of delivery to the initial purchasers) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on each February 15 and August 15 commencing February 15, 2022, until maturity or prior redemption. Principal installments of this Certificate are payable in the year of maturity to the Registered Owner hereof, upon its presentation and surrender at the designated offices, initially in East Syracuse, New York, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office") of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"). Interest shall be payable to the Registered Owner of this Certificate whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding the interest payment date hereof, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the Registered Owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the principal offices of the Paying Agent/Registrar are located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions in the city where the principal offices of the Paying Agent/Registrar is located are authorized to be closed, and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is issued in the aggregate principal amount of \$_____ for the purpose of paying contractual obligations of the City to be incurred for (i) constructing and improving streets, including drainage, landscaping, lighting, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization and street noise abatement incidental thereto and the acquisition of land and rights-of-way therefor, (ii) constructing, equipping and improving municipal park and recreation facilities and the acquisition of land and rights-of-way therefor and (iii) professional services rendered in relation to such projects and the financing thereof, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and pursuant to an ordinance adopted by the governing body of the City (hereinafter referred to as the "Ordinance").

[The Certificates maturing on the date hereinafter identified (the "Term Certificates") are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in

part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ __,000
February 15, 20__ *	\$ __,000

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ __,000
February 15, 20__ *	\$ __,000

Term Certificates due February 15, 2034	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ __,000
February 15, 20__ *	\$ __,000

Term Certificates due February 15, 2036	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ __,000
February 15, 20__ *	\$ __,000

Term Certificates due February 15, 2038	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$ __,000
February 15, 20__ *	\$ __,000

*stated maturity

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

The Certificates maturing on and after February 15, 20__, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 20__, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

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

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of

such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

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

This Certificate is payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and is additionally payable from and secured by a lien on and limited pledge (not to exceed \$2,500) of the Net Revenues of the City's Water and Sewer System (the "System"), such lien and pledge, however, being junior and subordinate to the lien on and pledge of the Net Revenues securing the payment of the Prior Lien Obligations (identified and defined in the Ordinance). In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise and additional certificates equally and ratably secured with the Certificates by a parity lien on and pledge of the Net Revenues.

Reference is hereby made to the Ordinance, a copy of which is on file at the principal offices of the Paying Agent/Registrar, and to all of the provisions of which the Registered Owner by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of this Certificate; the properties constituting the System; the Net Revenues pledged to the payment of the principal of and interest on this Certificate; the nature, extent, and manner of enforcement of the pledge; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Registered Owners; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the liens, pledges, charges, and covenants made therein may be discharged at or prior to the maturity of this Certificate, and this Certificate is deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Registered Owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of

the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

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

It is hereby certified, recited, represented, and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates by the levy of a tax and a limited pledge of and lien on the Net Revenues of the System as aforesated. In case any provision in this Certificate or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

CITY OF HIGHLAND VILLAGE, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(CITY SEAL)

REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
 §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
 §
THE STATE OF TEXAS §

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

ASSIGNMENT

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

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

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Certificate in every particular.

(c) Form of Definitive Certificates.

REGISTERED
NO. R- _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF HIGHLAND VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION
SERIES 2021

Certificate Date: Interest Rate: Stated Maturity CUSIP NO:
December 15, 2021 _____ February 15, 20__ _____

Registered Owner: _____

Principal Amount: _____ DOLLARS

The City of Highland Village (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount stated above and to pay interest on the unpaid Principal Amount stated above from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date in which case it shall bear interest from the date of delivery to the initial purchasers) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on each February 15 and August 15 commencing February 15, 2022, until maturity or prior redemption. Principal of this Certificate shall be payable at its Stated Maturity to the Registered Owner hereof upon presentation and surrender at the designated offices, initially in East Syracuse, New York, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office") of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest shall be payable to the Registered Owner of this Certificate (or of one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding the interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner, recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the principal offices of the Paying Agent/Registrar are located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions in the city where the principal offices of the Paying Agent/Registrar is located are authorized to be closed, and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be in any

coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Certificates") for the purpose of paying contractual obligations of the City to be incurred for (i) constructing and improving streets, including drainage, landscaping, lighting, retaining walls, curbs, gutters, sidewalks, signage, traffic signalization and street noise abatement incidental thereto and the acquisition of land and rights-of-way therefor, (ii) constructing, equipping and improving municipal park and recreation facilities and the acquisition of land and rights-of-way therefor and (iii) professional services rendered in relation to such projects and the financing thereof, pursuant to the authority conferred by and in conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended and pursuant to an ordinance adopted by the governing body of the City (hereinafter referred to as the "Ordinance").

[The Certificates maturing on the dates hereinafter identified (the "Term Certificates") are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$____,000
February 15, 20__*	\$____,000

Term Certificates due February 15, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$____,000
February 15, 20__*	\$____,000

Term Certificates due February 15, 2034	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$____,000
February 15, 20__*	\$____,000

Term Certificates due February 15, 2036	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$____,000
February 15, 20__*	\$____,000

Term Certificates due February 15, 2038	
<u>Redemption Date</u>	<u>Principal Amount</u>
February 15, 20__	\$____,000
February 15, 20__*	\$____,000

*stated maturity

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

The Certificates maturing on and after February 15, 20__, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar),

on February 15, 20__, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

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

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

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

The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and are additionally payable from and secured by a lien on and limited pledge (not to exceed \$2,500) of the Net Revenues of the City's Water and Sewer System (the "System"), such lien and pledge, however, being junior and subordinate to the lien on and pledge of the Net Revenues securing the payment of the Prior Lien Obligations (identified and defined in the Ordinance). In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise and additional certificates equally and ratably secured with the Certificates by a parity lien on and pledge of the Net Revenues.

Reference is hereby made to the Ordinance, a copy of which is on file at the principal offices of the Paying Agent/Registrar, and to all of the provisions of which the Registered Owner

by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the properties constituting the System; the Net Revenues pledged to the payment of the principal of and interest on the Certificates; the nature, extent, and manner of enforcement of the pledge; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Registered Owners; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the liens, pledges, charges, and covenants made therein may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the meanings assigned in the Ordinance.

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

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

It is hereby certified, recited, represented, and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates by the levy of a tax and a limited pledge of and lien on the Net Revenues of the System as aforestated. In case any provision in this Certificate or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

CITY OF HIGHLAND VILLAGE, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(CITY SEAL)

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

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

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

By: _____
Authorized Signature

Registered this date:

ASSIGNMENT

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

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

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

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Certificate in every particular.

SECTION 10. Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appear herein without qualifying language, are defined to mean as follows:

(a) The term "Additional Certificates" shall mean combination tax and revenue certificates of obligation hereafter issued under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, as amended, or any similar law hereafter enacted, and payable from ad valorem taxes and additionally payable from and secured by a lien on and pledge of the Net Revenues on a parity with and of equal rank and dignity with the lien and pledge securing the payment of the Certificates.

(b) The term "Certificate Fund" shall mean the special Fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term "Certificates" shall mean the "City of Highland Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2021" authorized by this Ordinance.

(d) The term "Collection Date" shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

(e) The term "Fiscal Year" shall mean the annual financial accounting period used with respect to the System now ending on September 30th of each year; provided, however, the City Council may change, by ordinance duly passed, such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes and to be consistent with the ordinances authorizing the Prior Lien Obligations.

(f) The term "Maintenance and Operating Expenses" shall mean all current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Maintenance and Operating Expenses. Maintenance and Operating Expenses shall include payments under contracts for the purchase

of water supply, treatment of sewage or other materials, goods, services, or facilities for the System to the extent authorized by law and the provisions of such contract.

(g) The term “Net Revenues” shall mean, with respect to any period, all income, revenues, and receipts received from the operation and ownership of the System less Maintenance and Operation expenses of the System during such period.

(h) The term “Outstanding” when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(i) those certificates theretofore canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those certificates for which payment has been duly provided by the City in accordance with the provisions of Section 26 hereof by the irrevocable deposit with the Paying Agent/Registrar, or an authorized escrow agent, of money or Government Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity; and

(iii) those certificates that have been mutilated, destroyed, lost, or stolen and for which (i) replacement Certificates have been registered and delivered in lieu thereof or (ii) have been paid, all as provided in Section 24 hereof.

(i) The term “Prior Lien Obligations” shall mean all bonds or other obligations now outstanding and hereafter issued that are payable from and secured by a lien on and pledge of all or any part of the Net Revenues of the System, including but not limited to (i) all bonds hereafter issued to refund any part of the aforesaid bonds or other obligations listed in this definition if the same are made payable from and secured by a lien on and pledge of the Net Revenues of the System and (ii) any obligations hereafter issued on a parity (insofar as the revenues of the System are concerned) with such Prior Lien Obligations or refunding bonds issued to refund such obligations if the same are made payable from and secured by a lien on and pledge of the Net Revenues of the System.

(j) The term “System” shall mean the City’s combined Water and Sewer System, including all present and future additions, extensions, replacements, and improvements thereto.

SECTION 11. Certificate Fund. The City covenants that for the purpose of paying the interest on and providing a sinking fund for the payment and retirement of the Certificates, there shall be and is hereby created a special Fund to be designated “Special 2021 Combination Tax and Revenue Certificate of Obligation Fund” (hereinafter, the “Certificate Fund”) which Certificate Fund shall be kept and maintained at the City’s depository bank, and moneys deposited in the Certificate Fund shall be used for no other purpose. Authorized officials of the City are hereby authorized and directed to make withdrawals from said Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund (on or prior to a principal and/or interest payment date) an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the

provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in the Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12. Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied, within the limitations prescribed by law, for the current year and each succeeding year thereafter while said Certificates or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of taxable property in said City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(a) Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Council shall determine:

(i) The amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(ii) The amount of Net Revenues and any other lawfully available revenues which are appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(iii) The amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 13. Limited Pledge of Net Revenues. The City hereby covenants and agrees that subject to the prior lien on and pledge of the Net Revenues to the payment and security of the Prior Lien Obligations, the Net Revenues of the System (within the limitation of a total amount of \$2,500) are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates, and the pledge of Net Revenues herein made for the payment of the Certificates shall constitute a lien on the Net Revenues until such time as the City shall pay all of such \$2,500, after which time the pledge shall cease, all in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the City.

Texas Government Code, Section 1208, as amended, applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the City under this Section, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the Holders of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14. System Fund. The City hereby covenants and agrees that all revenues derived from the operation and ownership of the System shall be kept separate and apart from all other funds, accounts, and moneys of the City, and shall be deposited as collected into the "Water and Sewer System Fund" (heretofore created in conjunction with the issuance of the outstanding Prior Lien Obligations and hereinafter called the "System Fund"). All moneys deposited in the System Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown, to wit:

First: To the payment of the reasonable and proper Maintenance and Operation Expenses of the System as defined herein or required by statute to be a first charge on and claim against the revenues of the System.

Second: To the payment of all amounts required to be deposited in any special funds created and established for the payment, security, and benefit of any Prior Lien Obligations in accordance with the terms and provisions of any ordinance authorizing the issuance of any Prior Lien Obligations.

Third: To the payment of the amounts required to be deposited in the special funds and accounts created and established for the payment of the Certificates (the Certificate Fund) and Additional Certificates and the amounts required to be deposited into the funds created for the payment of the "City of Highland Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2012" (the "2012 Certificates"), the "City of Highland Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2014" (the "2014 Certificates"), the "City of Highland Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2015" (the "2015 Certificates"), and the "City of Highland Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2018" (the "2018 Certificates").

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 15. Deposits to Certificate Fund. The City hereby covenants and agrees to cause to be deposited in the Certificate Fund the amount required to fully pay the interest and principal then due and payable on the Certificates, such deposits to pay maturing principal and accrued interest on the Certificates to be made on or before the 15th day of each February and August, beginning February 15, 2022.

The deposits to be made to the Certificate Fund, as hereinabove provided, shall be made until such time as such Fund contains an amount equal to pay the principal of and interest and premium, if any, on the Certificates to maturity. Accrued interest, if any, received from the purchaser(s) of the Certificates shall be deposited to the Certificate Fund and ad valorem taxes levied, collected, and deposited in the Certificate Fund for and on behalf of the Certificates may be taken into consideration and utilized to reduce the amount of the deposits otherwise required to be deposited in the Certificate Fund from the Net Revenues of the System. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues.

SECTION 16. Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 18. Special Covenants. The City hereby covenants as follows:

(i) That it has the lawful power to pledge the Net Revenues supporting this issue of Certificates and has lawfully exercised said powers under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Sections 1502.056 and 1502.058, as amended, and Texas Local Government Code, Subchapter C of Chapter 271, as amended.

(ii) That other than for the payment of the outstanding Prior Lien Obligations, if any, the 2012 Certificates, the 2014 Certificates, the 2015 Certificates, and the 2018 Certificates and the Certificates, the Net Revenues are not in any manner pledged to the payment of any debt or obligation of the City or of the System (any lien on Net Revenues having been granted by the City to the payment of any previously issued certificates of

obligation having been extinguished by the due and proper payment, from Net Revenues, of the limited amount of Net Revenues pledged thereto).

(iii) That, as long as any Certificates or any interest thereon remain Outstanding and the pledge of the Net Revenues has not been fully satisfied, the City will not sell, lease, or encumber the System or any substantial part thereof, provided that this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System.

(iv) The City recognizes that the purchasers and owners of the Certificates will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is excludable from federal income taxation under laws in force at the time the Certificates shall have been delivered. In this connection the City covenants to take no action or fail to take any action, which action or failure to act may render the interest on any of such Certificates subject to federal income taxation, particularly pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), nor shall the City take any action or fail to take any action, which action or failure to act, would have the effect of causing the income derived by the City from the System to become subject to federal income taxation in the hands of the City, whether or not provision shall have been made for the payment of such Certificates.

SECTION 19. Issuance of Prior Lien Obligations and Additional Certificates. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions, or restrictions applicable thereto under law or otherwise, and, also reserves the right to issue Additional Certificates payable from and secured by a lien on and pledge of the Net Revenues of equal rank and dignity, and on a parity in all respects, with the lien thereon and pledge thereof securing the payment of the Certificates.

It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements, and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements, and covenants contained in any ordinance authorizing the issuance any Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in any ordinance authorizing the issuance of any Prior Lien Obligations, the provisions, agreements, and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of any Prior Lien Obligations.

SECTION 20. Sale of the Certificates-Approval of Official Statement. Pursuant to a public sale for the Certificates, the bid submitted by _____ (herein referred to collectively as the "Underwriters") is declared to be the best bid received producing the lowest true interest cost rate to the City, and the sale of the Certificates to said Underwriters at the price of par plus a cash premium of \$_____, is hereby determined to be in the best interests of the City and is approved and confirmed. Delivery of the Certificates to the Underwriters shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale. The Initial Certificate shall be registered in the name as provided in the winning bid form.

Furthermore, the use of the Preliminary Official Statement prepared in connection with the public offering and sale of the Certificates is hereby ratified, confirmed and approved in all

respects. The final Official Statement being a modification and amendment of the Preliminary Official Statement and reflecting the terms of the sale (together with changes approved by the Mayor, Mayor Pro Tem, City Manager or Assistant City Manager, any one or more of said officials), shall be and is hereby approved as to form and content, and the Underwriters are hereby authorized to use and distribute said final Official Statement dated December 14, 2021, in the reoffering, sale and delivery of the Certificates to the public. The Mayor or Mayor Pro Tem and City Secretary are further authorized and directed to manually execute and deliver for and on behalf of the City copies of said Official Statement in final form as may be required by the Underwriters, and such Official Statement in the final form and content manually executed by said officials shall be deemed to be approved by the City Council and constitute the Official Statement authorized for distribution and use by the Underwriters.

SECTION 21. Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director, Assistant Finance Director and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Certificates. In addition, prior to the initial delivery of the Certificates, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Finance Director, Assistant Finance Director or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 22. Notices to Owners - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the business day next preceding the mailing of such notice.

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

SECTION 23. Cancellation. All Certificates surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time

deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Certificates held by the Paying Agent/Registrar shall be returned to the City.

SECTION 24. Mutilated, Destroyed, Lost, and Stolen Certificates. If (a) any mutilated Certificate is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Certificate, and (b) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Certificate has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Certificate, a new Certificate of the same Stated Maturity and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost, or stolen Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Certificate, pay such Certificate.

Upon the issuance of any new Certificate under this Section, the City may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Certificate shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates.

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

SECTION 25. Covenants to Maintain Tax-Exempt Status of Interest on the Certificates.

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

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

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

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

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

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

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

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

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

“Yield” of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

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

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

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

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

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

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

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

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

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its

official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Certificates by the Underwriters and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of its general fund, or appropriate fund, or, if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Certificate Fund, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

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

SECTION 26. Satisfaction of Obligations of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Net Revenues under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (a) money sufficient to pay

in full such Certificates or the principal amount(s) thereof at maturity, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (b) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code or regulations adopted pursuant thereto.

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

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

SECTION 27. Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders owning a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (a) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (b) give any preference to any

Certificate over any other Certificate, or (c) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 28. Control and Custody of Certificates. The Mayor or Mayor Pro Tem of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts, and the delivery thereof to the Underwriters.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager and the City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Certificates, the approval of the Attorney General, and their registration by the Comptroller of Public Accounts and, together with the City's financial advisor, bond counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Certificate to the Underwriters and the initial exchange thereof for definitive Certificates.

SECTION 29. Bond Counsel's Opinion. The Underwriters' obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Attorneys, Dallas, Texas, approving such Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Certificates. A true and correct reproduction of said opinion or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Certificates. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 30. CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 31. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 32. Inconsistent Provisions. All ordinances, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 33. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 34. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 35. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 36. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551 of the Texas Government Code, as amended.

SECTION 37. Continuing Disclosure Undertaking.

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

“MSRB” means the Municipal Securities Rulemaking Board.

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

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

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning in or after 2021, financial information and operating data with respect to the City of the general type contained in Tables 1 through 6 and 8 through 15 in the final Official Statement, and (2) within twelve months after the end of each fiscal year, beginning in or after 2021, and if not provided as part of such financial information and operating data, audited financial statements of the City. Any financial statements so provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation. If audited financial statements are not available within 12 months after the end of any fiscal year, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available.

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

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

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

1. Principal and interest payment delinquencies;

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

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

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

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

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

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

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

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

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

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

SECTION 38. Proceeds of Sale. The proceeds of sale of the Certificates, excluding amounts to pay costs of issuance, shall be deposited in a fund maintained at a depository bank of the City and used to finance the projects described in Section 1. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized

investments and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the City Council. Any investment earnings remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund. Any surplus proceeds of sale may be deposited to the Certificate Fund or to another fund created for the payment of any Certificates.

SECTION 39. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 40. Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED, this December 14, 2021.

CITY OF HIGHLAND VILLAGE, TEXAS

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM AND LEGALITY:

City Attorney

APPROVED BY BOND COUNSEL:

Norton Rose Fulbright US LLP, Robert D. Dransfield

(City Seal)

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

CITY OF HIGHLAND VILLAGE
CITY COUNCIL

AGENDA# 20

MEETING DATE: 12/14/2021

SUBJECT: Review and Consider an application for a Site Plan for the property located at 2150 Village Parkway described as Lot 7B, Block 2, The Marketplace at Highland Village (Helenlee Corporation)

PREPARED BY: Autumn Aman, Community Development Coordinator

BACKGROUND:

An application was received for approval of a site plan to construct an approximately 12,203 square foot building for Retail Use. The site plan package includes a site plan, building elevations, signage, lighting plan, and landscape plans.

On October 24, 2017, a site plan for this property was approved by City Council, however, since building did not commence within one year of the approval of the site plan, the site plan is deemed to have expired.

The application for approval of the site plan was placed on the Planning and Zoning Commission's agenda for consideration on June 15, 2021. However, the applicant requested postponement of action following the Commission's vote to recommend denial of the applicant's application for Conditional Use Permit for a drive-thru use associated with the site plan.

The proposed site plan has been revised by the applicant to no longer show a drive-thru use and is almost exactly the same site plan approved by the City Council in 2017. The main differences between the current application and the previously approved site plan are an increase in the number of parking spaces and the reduction in the area of the proposed building from 13,994 square feet to 12,203 square feet.

The applicant is also requesting additional signage be allowed on the right and left elevations of the building as shown on the elevation exhibits. Per Ordinance No. 06-998 for the Marketplace, additional signage may be considered and approved with the site plan. However, additional signage is not to exceed the size of the primary sign.

OPTIONS & RESULTS:

Options are to approve the site plan package as it has been submitted, to approve subject to revisions, or to deny the site plan package upon a finding that it does not comply one or more requirements of the PD zoning or City Ordinances for the property.

PROGRESS TO DATE: (if appropriate)

City Staff and the City's Engineer have reviewed the site plan package and find that the proposed site plan conforms with applicable City Ordinances.

At the November 16, 2021, Planning and Zoning Commission meeting, the Commission voted to recommend approval of the site plan as presented by a vote of 5-0.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

Staff recommends the City Council review and consider as recommendation of the Planning and Zoning Commission.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 21

MEETING DATE: 12/14/2021

SUBJECT: Consider Resolution 2021-2981 Appointing a Member to Fill a Vacancy for an Unexpired Term on the Zoning Board of Adjustment

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

City ordinance states that Council shall make annual appointments to the City's boards and commissions no later than the second regularly scheduled Council meeting in September. Citizens interested in volunteering their time to serve on one of the City's boards or commissions may submit an application to the City Secretary's Office for consideration by Council.

The annual appointments are for terms of two years, unless an individual is appointed to fill a vacancy. A "term year" is from October 1st until September 30th of the following year. The terms expire on the 30th day of September of the second year.

In the case of a vacancy, the Council shall appoint a replacement to fill an unexpired term. Council may consider appointing alternate members of said board, if available, to fulfill the vacancy prior to appointing new applicants.

IDENTIFIED NEED/S:

The Zoning Board of Adjustment is composed of eight (8) members, which includes five (5) regular members and three (3) alternate members. One member of the Zoning Board of Adjustment recently resigned, thereby leaving a vacancy in Place 1 with an unexpired term, which will expire on September 30, 2023.

If Council desires to make an appointment to fill the vacancy, there are several options:

- a) Consider an Alternate to serve in Place 1, then consider a person to fill the vacant alternate seat on the Zoning Board of Adjustment
- b) Consider appointing a person from the remaining applications currently on file
- c) Delay filling the vacancy

PROGRESS TO DATE: (if appropriate)

Council discussed filling the vacancy earlier tonight during Early Work Session.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve Resolution 2021-2981 appointing a person to fill the vacancy on the Zoning Board of Adjustment for an unexpired term.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2021-2981

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS APPOINTING A MEMBER TO FILL A VACANCY FOR AN UNEXPIRED TERM ON THE ZONING BOARD OF ADJUSTMENT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Highland Village desires to make an appointment to the Zoning Board of Adjustment to fill a vacancy for an unexpired term.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The following person is hereby appointed to the indicated position(s) on the Zoning Board of Adjustment with a term ending as indicated below:

Name	Place	Expiration
_____	Place 1	September 30, 2023
_____	Alternate 1	September 30, 2023 (if needed)
_____	Alternate 2	September 30, 2022 (if needed)
_____	Alternate 3	September 30, 2022 (if needed)

SECTION 2. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 14th day of December, 2021.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 22

MEETING DATE: 12/14/2021

**SUBJECT: Status Reports on Current Projects and Discussion on Future
Agenda Items**

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

This item is on the agenda to allow a Councilmember to inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.



UPCOMING MEETINGS

December 14, 2021	Regular City Council Meeting - 7:30 pm
December 20, 2021	Parks & Recreation Advisory Board Meeting – 6:00 pm
December 21, 2021	Planning & Zoning Commission Meeting – 7:00 pm
December 23 & 24, 2021	Closed for the Christmas Holiday
December 28, 2021	Regular City Council Meeting – Cancelled
December 31, 2021	Closed for the New Year Holiday
January 6, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
January 11, 2022	Regular City Council Meeting - 7:00 pm
January 17, 2022	Closed for Martin Luther King Jr. Holiday
January 17, 2022	Parks & Recreation Advisory Board Meeting – Cancelled
January 18, 2022	Planning & Zoning Commission Meeting – 7:00 pm
January 25, 2022	Regular City Council Meeting - 7:00 pm
February 3, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
February 8, 2022	Regular City Council Meeting - 7:00 pm
February 15, 2022	Planning & Zoning Commission Meeting – 7:00 pm
February 21 2022	Parks & Recreation Advisory Board Meeting – 6:00 pm
February 22, 2022	Regular City Council Meeting - 7:00 pm

Note – The Zoning Board of Adjustment, Parks & Recreation Advisory Board, and the Planning & Zoning Commission meetings are held monthly, IF NEEDED. Please visit www.highlandvillage.org or the City Hall bulletin board for the latest meeting additions and updates.

By: Karen McCoy, Executive Assistant – City of Highland Village