

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, SEPTEMBER 17, 2014 - 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM - CITY HALL
1801 9th Ave. N.
Texas City, TX 77590

- (1) ROLL CALL
- (2) INVOCATION
- (3) PLEDGE OF ALLEGIANCE
- (4) PROCLAMATIONS AND PRESENTATIONS
- (5) REPORTS
- (6) PUBLIC HEARING
 - (a) Service Awards

Bryan Humphrey	Library	09/29/2009	5 years
Joseph Guillory	Public Works	09/28/2009	5 years
Juan Reyes	Public Works	09/28/2009	5 years
Nicholas Kresta	Fire	09/21/2009	5 years
William Sherer	Fire	09/06/1994	20 years
Corey Aiken	Fire	09/06/1994	20 years
- (7) PLAT APPROVAL
 - (a) Review and final consideration of Pearlbrook Master Plan. (City Engineer)
- (8) CONSENT AGENDA
 - (a) Approve City Commission Minutes for September 3, 2014, meeting. (City Secretary)
 - (b) Consider and take action on Resolution No. 14-087, approving the 2014 County of Galveston Fire Mutual Aid Agreement. (Fire Department)
 - (c) Consider and take action on Resolution No. 14-088, regarding the City of Texas City Investment Policy. (Finance)
 - (d) Consider and take action on Resolution No. 14-089, amending Resolution No. 14-084, appointing and/or reappointments to various boards, commissions and committees . (City Secretary)

(9) REGULAR ITEMS

- (a) Consider and take action, by record vote, on Ordinance No. 14-21, to adopt the City of Texas City's 2014-2015 Fiscal Year Budget. (Finance)
- (b) Consider and take action, by record vote, on Resolution No. 14-090, to ratify the tax increase reflected in the 2014-2015 Fiscal Year Budget. (Finance)
- (c) Consider and take action on Ordinance No. 14-22, levying an ad valorem tax for the year 2014 for the City of Texas City. (Finance)
- (d) Consider and take action on Resolution No. 14-091, accepting and approving the 2014 Certified Tax Roll. (Finance)
- (e) Consider and take action on Ordinance No. 14-23, amending the City of Texas City's fiscal year 2013-14 Budget to transfer funds from the general fund to economic development. (Finance)

(10) PUBLIC COMMENTS

(11) MAYOR'S COMMENTS

(12) COMMISSIONERS' COMMENTS

ADJOURNMENT

NOTICE OF ANY SUBJECT APPEARING ON THIS AGENDA REGARDLESS OF HOW THE MATTER IS STATED MAY BE ACTED UPON BY THE CITY COMMISSION.

NOTICE: The City of Texas City will furnish free transportation to handicapped individuals via a 4-door sedan for anyone wishing to attend the City Commission meetings. Call 948-3111, City Secretary's Office before noon on Monday preceding the meeting to make arrangements.

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT CITY HALL, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON SEPTEMBER 12, 2014, AT :00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

/s/ Nicholas J. Finan
NICHOLAS J. FINAN
CITY SECRETARY

CITY COMMISSION REGULAR MTG

6. (a.

Meeting Date: 09/17/2014

September 2014 Service Awards

Submitted For: Jennifer Price, Human Resources

Submitted By: Susan Sensat, Administration

Department: Human Resources

Information

ACTION REQUEST (Brief Summary)

Service Awards

Bryan Humphrey	Library	09/29/2009	5 years
Joseph Guillory	Public Works	09/28/2009	5 years
Juan Reyes	Public Works	09/28/2009	5 years
Nicholas Kresta	Fire	09/21/2009	5 years
William Sherer	Fire	09/06/1994	20 years
Corey Aiken	Fire	09/06/1994	20 years

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

7. (a.

Meeting Date: 09/17/2014

Submitted For: Doug Kneupper, Transportation and Planning

Submitted By: Justin Herter, City Secretary

Department: Transportation and Planning

Information

ACTION REQUEST (Brief Summary)

Review and final consideration of Pearlbrook Master Plan

BACKGROUND

Pearlbrook is part of an overall development that is within Municipal Utility District No. 66. This part of MUD 66 is north of 25th Ave., adjacent to SH 3 and is intended to develop as single-family residential, Pearlbrook Estates. This Masterplan covers the residential component. The Planning Board reviewed the submittal on August 18 and is submitting to City Commissioners with their recommendation for approval. The Masterplan provides the pathway for the developer to move forward with the project and submit preliminary plats and construction plans for developing the residential sections.

ANALYSIS

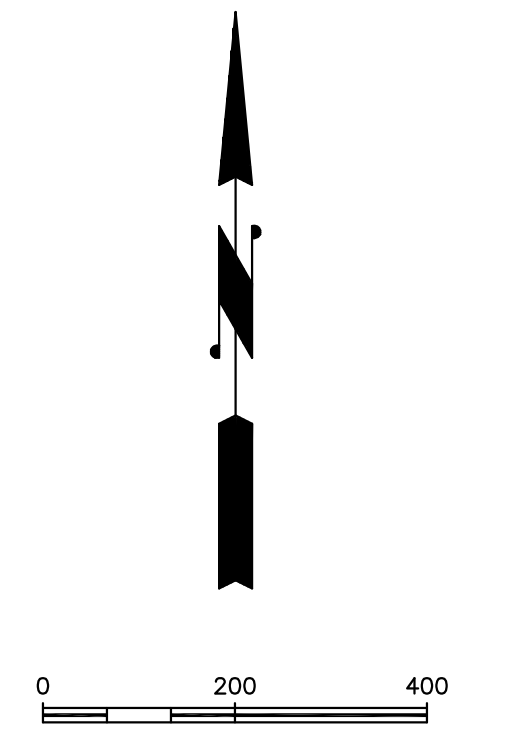
ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Pearlbrook Master

FILENAME: G:\GCMUD_66\PEARLBROOK\SECTION THREE\PRELIM_MASTER_PLAN_07-11-14.dwg PLOT DATE: 08-07-14 SCALE: 1/200



LOT TABLE		
SECTION	LOT DIMENSION	No. of LOTS
1 (Ex.)	120' x 50'	85
2 (Ex.)	120' x 50'	7
3	120' x 50'	66
7	120' x 50'	57
SUBTOTAL		215
4	120' x 60'	37
5	120' x 60'	60
6	120' x 60'	37
8-A	120' x 60'	33
SUBTOTAL		167
8-B	120' x 70'	33
9	120' x 70'	58
10	120' x 70'	55
SUBTOTAL		146
TOTAL		528

- LEGEND:**
- OPEN SPACE/PARK
 - OPEN SPACE/LANDSCAPE
 - OPEN SPACE/AMENITY/PARK

NOTE:
 RESTRICTED RESERVE "A": OPEN SPACE, LAKE AMENITY, AND PARK TO BE CONSTRUCTED CONCURRENTLY WITH HOMES IN SECTION 3.

Sherrington, Inc.
 Consulting Civil Engineer
 8203 Willow Place South
 Suite 400
 Houston, Texas 77070
 281-807-5804

G.C.M.U.D. No. 66
 PEARLBROOK
 TEXAS CITY, TEXAS

PRELIMINARY MASTER PLAN EXHIBIT

BY	REVISIONS	DATE

SCALE: 1" = 200'

PROJECT NUMBER	
108-04-306	

DESIGNED:	DATE	EXHIBIT
J.K.S.	AUG. 2014	1 of 1

DRAWN:	DATE	EXHIBIT
A.M.B.	AUG. 2014	1 of 1

CITY COMMISSION REGULAR MTG

8. (a.

Meeting Date: 09/17/2014

Submitted By: Justin Herter, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

Res 13-099

Meeting Date: 09/17/2014

2014 Mutual Aid Agreement with the County of Galveston

Submitted By: Justin Herter, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Authorization for the Mayor to execute a one year agreement between the County of Galveston and City of Texas City (Fire Department) for Mutual Aid.

BACKGROUND

New annual agreement that replaces the Galveston County Fire Fighters Association Agreement.

ANALYSIS

City to provide mutual aid to unincorporated areas of Galveston County for \$50,000 from Commissioners Court.

ALTERNATIVES CONSIDERED

None.

Fiscal Impact

Attachments

Res 14-087

FD MA

RESOLUTION NO. 14-087

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT BETWEEN THE COUNTY OF GALVESTON, TEXAS, AND THE CITY OF TEXAS CITY, TEXAS, FOR MUTUAL AID; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Texas City, Texas, wishes to formalize a 2015 Mutual Aid Agreement between the County of Galveston, and the City of Texas City, or mutual aid; and

WHEREAS, Chapter 352 of the Local Government Code, "County Fire Department" and Chapter 791 of the Government Code, "Interlocal Cooperation Act," provides authority that the Commissioners' Court may contract the governing body of a municipality to provide protection services to locations outside of the municipalities; and

WHEREAS, citizens residing within the unincorporated areas of the County of Galveston, surrounding City of Texas City, city limits are in need of obtaining the services of the City of Texas City to assist them in time of need; and

WHEREAS, the City of Texas City is willing to make its fire protection services available to unincorporated areas of the County of Galveston.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby approves the 2015 Mutual Aid Agreement between the County of Galveston and the City of Texas City, and the Mayor is authorized to execute the 2015 Mutual Aid Agreement, in the same or similar format attached hereto as Exhibit "A" and made a part hereof.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

CONTRACT

STATE OF TEXAS

§

COUNTY OF GALVESTON

§

This Contract is made and entered into by and between the County of Galveston, Texas, acting by and through its County Commissioners' Court, hereinafter called "County" and the City of **Texas City**, Texas, acting by and through its City **Commission**, hereinafter called "City" or "recipient".

Whereas, Chapter 352 of the Local Government Code, "County Fire Protection" and Chapter 791 of the Government Code, "Interlocal Cooperation Act," provides authority that the Commissioners' Court may contract the governing body of a municipality to provide fire protection services to locations outside of the municipalities; and

Whereas, citizens residing within the unincorporated areas of the County surrounding the City's city limits are in need of obtaining the services of the City to assist them in time of need; and

Whereas, the City is willing to make its fire protection services available to unincorporated areas of the County.

Now, therefore, for and in consideration of the mutual covenants expressed herein it is agreed as follows:

1. To assist the various communities located in the unincorporated areas surrounding the City's city limits, County agrees to pay the City to be on call and make fire protection runs into unincorporated areas of Galveston County in the amount of TWENTY-TWO THOUSAND FIVE HUNDRED AND NO/ 100 (\$22,500.00) DOLLARS. Payment of this sum shall be made following the acceptance and execution of this Contract by both parties
2. City agrees to make reasonable efforts to respond to requests for fire protection services in the unincorporated areas of the County surrounding the City's city limits, regardless of the source of the request.
3. City agrees to keep a record of any runs made in response to an area in the unincorporated portions of the Country, and to submit, not later than July, 21, 2015, a report to the County Commissioners' Court advising the Court of the runs made to unincorporated areas of the County during the period July, 15, 2014 to July 14, 2015. For each run, the City will report the date and time of the run, the distance travelled, the number of personnel who responded, and all expenses incurred by the City as determined by the most recent City financial audit,

in making the reported runs. The County and City acknowledge that the City's run expenses will not impact the amount payable under this Contract.

4. It is expressly agreed and understood between the parties that the County shall have no right at any time to supervise, manage, direct or control City and its members in the performance of their services. City shall totally decide and be responsible for the manner, means and methods by which they operate.
5. It is further agreed and understood between the parties that in accordance with §352.004 of the Local Government Code, V.T.C.A., the acts of any person who, in the act of carrying out the County's authority to provide fire protection under this agreement, furnishes fire protection to a county resident who lives outside the municipalities in the County, including the act of person who is a regular employee or fire fighter of a municipality, is considered to be the act of an agent of the County.
6. It is further agreed that the City is not liable for the acts of its employee in fighting fires outside the City under this Contract. However, it is acknowledged that the City will continue any responsibilities it may have to provide workers' compensation, to any employees who provide fire fighting services under this Contract.
7. Nothing in this Contract shall be construed to waive any provision contained within Chapter 74 of the Civil Practice and Remedies Code of the State of Texas, commonly known as the Good Samaritan Law.
8. To the extent permitted by the Constitution and laws of the State of Texas, City agrees to indemnify and save harmless the county of Galveston, its agents, Commissioners, Boards, Officers and employees from any and all suits, actions, or claims of any character, type or description brought or made for or on account of any injuries or damages received or sustained by any person or persons arising out of or occasioned by the acts of the Fire Department, its members, deputies, agents or employees.
9. During the term of this Contract, the City agrees to:
 - a) Maintain membership in the Galveston County Fire Fighters Association;
 - b) Comply with the Texas Commission on Fire Protection (TCFP) and any other applicable Federal and State regulatory agency and submit an annual letter stating such compliance to the Galveston County Fire Fighters Association;
10. Equal Employment Opportunity - the City agrees that it shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, genetic information, or veteran status. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The recipient agrees to post notices,

which set forth the provisions of this non-discrimination section, in conspicuous places available to employees or applicants for employment and will, in all solicitation or advertisements for employees placed by or on behalf of the recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, disability, genetic information, or veteran status.

11. Drug-Free Workplace – the City shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. § 8102, et seq.) and implementing regulations there under and maintain a drug-free work environment.
12. Americans With Disabilities Act – the City shall comply with all applicable terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (Public Law 101-136) and implementing regulations there under.
13. Nondiscrimination – the City acknowledges and agrees that neither it nor its subcontractors shall discriminate on the basis of race, color, religion, national origin, sex, disability, genetic information, or veteran status. Respondent and its subcontractors shall comply with all Federal statutes relating to nondiscrimination. These laws include, but are not limited to:
 - Title VI of the Civil Rights Act of 1964
 - Title IX of the Education Amendments of 1972
 - The Rehabilitation Act of 1973, Section 503
 - The Rehabilitation Act of 1973, Section 504
 - The Age Discrimination Act of 1975
 - The Drug Abuse Office and Treatment Act of 1972
 - The Drug-Free Workplace Act of 1988
14. This Contract shall begin effective upon the execution of this document by both parties and shall terminate on September 30, 2015.
15. This Contract constitutes the only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter. The City disclaims any reliance on representations by the County that are not expressly set out in this Contract.
16. In the event any portion of this Agreement is held to be unenforceable, the unenforceable portion shall be construed in accordance with applicable law as nearly as possible to reflect the original intention of the parties. The remainder of the provisions shall remain in full force and effect.
17. Neither party's failure to enforce strict performance of any provisions of this Agreement shall be construed as a waiver of any provision or right. Neither the course of conduct between the parties nor trade practice shall act to modify any provision of this Agreement.

18. This Agreement will be governed by and construed in accordance with the laws of the State of Texas and venue shall lie in Galveston County.
19. Each signatory to this Agreement certifies that he/she has been authorized by their entity to execute this Agreement.
20. This Agreement is being executed with multiple originals signed by both parties.

GALVESTON COUNTY, TEXAS

By: _____
Mark Henry,
County Judge

ATTEST:

Dwight D. Sullivan,
County Clerk

CITY OF TEXAS CITY, TEXAS

By: _____
City Mayor

ATTEST:

City Secretary

CITY COMMISSION REGULAR MTG

Res 13-079

Meeting Date: 09/17/2014

Consider approval of the City of Texas City's Investment Policy.

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of the City of Texas City Investment Policy.

BACKGROUND

In 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA). The City of Texas City's Investment Policy mandates how City funds are to be managed and invested. The Investment Policy was updated and approved in 2009. The Policy requires annual review and approval by the City Commission.

No changes have been made to the policy.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution No. 14-088 - Approve Investment Policy
Investment Policy

RESOLUTION 14-088

A RESOLUTION APPROVING THE CITY OF TEXAS CITY'S INVESTMENT POLICY AND STRATEGIES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Texas Public Funds Investment Act requires each home rule municipality to adopt an investment policy by rule, order, ordinance, or resolution;

WHEREAS, in 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA);

WHEREAS, the City of Texas City's Investment Policy mandates how City funds are to be managed and invested;

WHEREAS, the City's Investment Policy was updated in 1998, 2000, 2004, 2005, 2006 and 2009 and is in need of City Commission review and approval;

WHEREAS, the City's Investment Policy approved in 2009 was updated to reflect changes in the City's Investment policy and plan;

WHEREAS, the 2009 Investment Policy requires no further changes and/or additions and requires annual review and approval by the City Commission; and,

WHEREAS, the Finance Director recommends annual approval of the Investment Policy and Strategies.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City hereby approves the City's Investment Policy, attached hereto as Exhibit "A", and made a part hereof.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

City of Texas City, Texas

Investment Policy



Amended and Approved May 6, 2009

**City of Texas City, Texas
Investment Policy
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INVESTMENT STRATEGY

The investment strategy, of the City of Texas City, Texas, is adopted to provide investment guidelines that will minimize the risk of loss, whereby the City of Texas City, Texas will pursue a passive investment strategy. In order to make effective use of the City's resources, all monies shall be pooled into one fund, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, contracts or City policy. Investments will be purchased with the intent of holding to maturity and will only be sold early under exceptional circumstances. In purchasing investments, the Investment Officer will attempt to follow a ladder strategy to ensure that the portfolio will meet the City's liquidity needs. Investment priorities, in order of priority, are as follows:

1. **Suitability** – Any investment allowed by the Investment Policy is suitable.
2. **Preservation and Safety of Principal** – Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
3. **Liquidity** – The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operational requirements that might reasonably be anticipated.
4. **Marketability** – Investments should have an active and efficient secondary market to enable the City to liquidate investments prior to the maturity if the need should arise.
5. **Diversification** – The Investment Officer will attempt to maintain a diversified portfolio with regard to security type, financial institution providing the security, and maturity.
6. **Yield** – The City's investment portfolio shall be designed with the objective of attaining the maximum rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio.

City of Texas City, Texas **Investment Policy**

The Public Funds Investment Act, Chapter 2256, Texas Government Code, as Amended (“PFIA” herein), requires each city to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices that must be exercised to ensure effective and judicious fiscal management of the City of Texas City funds.

I. POLICY

It is the policy of the City of Texas City, Texas (“City”) to invest public funds in a manner that will ensure the preservation of capital, conform to all applicable State and Local statutes governing the investment of public funds and provide reasonable investment returns. The City shall invest all funds deemed in excess of current needs. “Current needs” are hereby defined as expenditures to be required within a given ninety- (90) - day period

II. SCOPE

The investment policy applies to all the financial assets and funds held by the City, except for the Firemen’s Relief and Retirement Fund. These funds are defined in the City of Texas City’s Comprehensive Annual Financial Report and include:

Funds

1. General Funds
2. Special Revenue Funds
3. Capital Projects Funds
4. Enterprise Funds
5. Internal Service Funds
6. Debt Service Funds
7. Trust and Agency Funds

Any new funds created by the City will be subject to this policy unless specifically exempted by the City Council. To maximize the effective investment of assets, all funds mentioned above will pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. INVESTMENT OBJECTIVES

The City of Texas City shall manage and invest its cash with three (3) primary objectives, listed in order of priority: **safety, liquidity, and yield**. The safety of principal invested always remains the primary objective.

Safety

Safety of principal is the foremost objective of the City. Investment of City funds shall be undertaken in a manner that seeks to ensure the preservation of capital and the protection of investment principal in the overall portfolio.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated disbursement schedules of the City.

Yield

The City's investment portfolio shall be designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. Return on investment is of least importance compared to the safety and liquidity objectives described above. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that closely matches the average maturity of the portfolio.

IV. STANDARDS OF CARE

Delegation of Investment Authority

Article 11, Section 1 of the Charter of the City of Texas City designates the Director of Finance. The Director of Finance, acting on behalf of the City Commission, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Director of Finance may appoint an Investment Officer whose responsibility shall be to invest the funds on behalf of the City in accordance with this investment policy. The City Commission is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this investment policy. Procedures will include reference to safekeeping, require and include PSA

Delegation of Investment Authority (continued)

master repurchase agreements, wire transfer agreements; banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the Director of Finance.

Investment Training

The Chief Financial Officer and all designated Investment Officers of the City shall:

- (1) Attend at least one training session, from an independent source approved by the City Commission and containing at least 10 hours of instruction relating to the responsibilities under this policy within 12 months after taking office or assuming duties; and
- (2) Attend an investment training session not less than once in a two-year period and receive not less than 10 hours of instruction relating to investment responsibilities.

Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

Standard of Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Mayor any personal business relationship in financial institutions with which they conduct business. An employee or officer has a personal business relationship with a business organization if:

1. The employee or officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

Standard of Ethics and Conflicts of Interest (continued)

2. Funds received by the employee or officer from the business organization exceed 10 percent of the employee's gross income for the previous year; or
3. The employee or officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the employee or officer.

They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio including an individual who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity. Disclosure under this section shall be accomplished by filing a statement with the Texas Ethics Commission and the City Commission.

Prudence

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

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include historical researching and monitoring of specific cash flow items, payables and receivables as well as overall cash position and patterns.

Internal Controls/Annual Compliance Audit

The Investment Officer shall establish a system of written internal controls which shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City. In conjunction with the City's annual financial audit, a compliance audit shall be performed of management controls on investments and adherence to the City's established investment policies.

V. SUITABLE AND AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments as described by the Texas Government Code; Chapter 2256, Sections 2256.09 through 2256.011 and Sections 2256.013 through 2256.016 of the Public Funds Investment Act. Investment of funds in any instrument or security not authorized for investment under the Act is prohibited.

Authorized

1. Direct Obligations of the United States Government: U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government. Federal Agencies and instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).
2. Time Certificates of Deposit, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 – 2 above and held by the City's custodial bank. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.
3. Repurchase Agreements with a defined termination date of 90 days or less collateralized by securities listed in 1 -2 above. Collateral must have a minimum market value of 102% of the repurchase agreement, and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.

Authorized (continued)

4. AAA-rated Investment Pools organized under the Texas Inter-local Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by the City Commission.
5. Commercial Paper maturing within 180 days carrying a minimum rating of A-1, P-1 or F-1.
6. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invests exclusively in investments described in this section.

Not Authorized

The following security types are not permitted:

1. Interest-Only Strips (IO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no principal.
2. Principal-Only Strips (PO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized Mortgage Obligations (CMO's): Obligations that have a stated final maturity date of greater than 10 years.
4. Any security, the interest rate of which is determined by an index that adjusts opposite to the changes in the Market Index (inverse floaters).

VI. FINANCIAL DEALERS AND INSTITUTIONS

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

Authorized Brokers/Dealers (continued)

All financial institutions and brokers/dealers who desire to become a qualified bidder for investment transactions must supply the Investment Officer with a completed Broker/Dealer Questionnaire and Certification, which shall include the following:

1. An audited financial statement for the most recent period.
2. Proof of certification by the Financial Industry Regulatory Authority (FINRA).
3. Proof of current registration with the State Securities Commission.

Financial institutions eligible to transact investment business with the City shall be presented a written copy of this Investment Policy.

Additionally, the registered principal of the business organization seeking to transact investment business shall execute a written instrument substantially to the effect that the registered principle has received and reviewed this Investment Policy, and acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City.

The City Commission shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

The City may appoint one or more Investment Advisors to assist the City's financial staff in the management of the City's funds. The Investment Advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and with the State Securities Board. To be eligible for consideration, an Investment Advisor shall demonstrate knowledge of and experience in the management of public funds. The Investment Advisors qualifications will be checked by all appropriate means, including reference checks with the Advisor's other clients, the State Securities Board and the Securities and Exchange Commission. An appointed Investment Advisor shall act within the guidelines of this Investment Policy while transacting business on behalf of the City.

1. Appointment of an Investment Advisor shall otherwise be according to the City's normal purchasing procedures for selecting professional services. Appointment may not exceed a term of two years. A renewal or extension of the contract must be made by City Commission resolution.
2. The City may not purchase any securities from the Investment Advisor, or a parent or other affiliated company of the Investment Advisor.
3. The Investment Advisor is prohibited from making soft-dollar arrangements of any kind.

Authorized Brokers/Dealers (continued)

4. All contracted Investment Advisors shall report book value and market value of investment holdings, the total investment return, and such other information requested by the Director of Finance as often as requested by the Director.

Depository

At least every five (5) years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

1. The ability to qualify as a depository for public funds in accordance with state and local laws.
2. The ability to provide requested information or financial statements for the period specified.
3. The ability to meet all requirements in the banking RFP.
4. Complete response to all required items on the bid form.
5. Lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
6. The credit worthiness and financial stability of the bank.

The bank depository contract is subject to City Commission approval.

Competitive Bids

Investment transactions will normally be conducted based on comparison of a minimum of three (3) quotes obtained from any of the approved brokers with attention to yield as well as diversification with regard to issuing entity and broker/dealer. Limitations of time and supply may provide otherwise. Security transactions that may be purchased without competitive offers include: a) transactions with money market mutual funds; b) local government investment pools and c) new securities still in syndicate priced at par.

Delivery vs. Payment

All security transactions, including collateral for repurchase agreements *but excluding investment pool and mutual funds*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

VII. SAFEKEEPING AND CUSTODY

Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits.

Safekeeping and Custody

Safekeeping and custody of securities and collateral shall be in accordance with state law. Securities and collateral will be held by a third party custodian designated by the Investment Officer and held in the City's name as evidenced by safekeeping receipts of the institution with which the securities are deposited. Original safekeeping receipts shall be obtained.

Collateralization

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all investments and funds on deposit with a depository bank, other than investments, which are obligations of the U.S. Government, its agencies and instrumentalities, and government sponsored enterprises. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits or investments less than an amount insured by the FDIC.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

The right of collateral substitution is granted.

VIII. INVESTMENT PARAMETERS

Maximum Maturities

To the extent possible, the City of Texas City, will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase. Additionally, the City will maintain a dollar-weighted average maturity of two (2) years or less.

Diversification

It is the intent of the City to diversify the investment instruments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending on the outlook for the economy and securities market. If conditions warrant, the guidelines below may be exceeded by approval of the Mayor.

- 1. U.S. Treasury Securities 100%
- 2. Agencies and Instrumentalities 75%
- 3. Certificates of Deposit 100%
- 4. Money Market Mutual Funds 30%
- 5. Repurchase Agreements 20%
- 6. Commercial Paper 20%
- 7. Authorized Pools 70%

IX. REPORTING

Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer should prepare and submit to the City Commission a written report of the investment transactions for all funds of the City for the preceding reporting period. The report must:

- 1. Describe in detail the investment position of the City on the date of the report.
- 2. Contain a summary statement of each pooled fund group that states the beginning market value for the reporting period and additions and changes to the market value for the period.
- 3. State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested.
- 4. State the maturity date of each separately invested asset that has a maturity date.
- 5. State the pooled group fund in the City for which each individual investment was acquired.

Reporting (continued)

6. The quarterly report will be prepared jointly by all investment officers and be signed by all investment officers.
7. State all accrued interest payable.
8. State the compliance of the investment portfolio as it relates to this policy and the Public Funds Investment Act (PFIA).

Marking to Market

The market values of the City's investments shall be obtained from a reliable outside source, which has access to investment market values.

X. PERFORMANCE STANDARDS

Performance Standards

The investment policy shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs.

Performance Benchmark

The City of Texas City, Texas investment strategy is passive. Given this strategy, the benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

XI. POLICY ADOPTION

Annual Review and Adoption of Investment Policy

The City Commission shall adopt the City's investment policy. The Director of Finance and City Commission shall review the policy and investment strategies on an annual basis. The City Commission must approve any changes.

GLOSSARY

-A-

Accrued Interest – The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency – A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization – The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Asked – The price at which securities are offered.

Average Life – The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund features is expected to be outstanding.

-B-

Basis Point – A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., “1/4” of 1 percent is equal to 25 basis points.

Bid – The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value – The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security’s current value in the market.

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

-C-

Callable Bond – A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

-C- (continued)

Call Price – The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk – The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase – A transaction that calls for delivery and payment of securities on the same day the transaction is initiated.

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

Collateralization – Process by which a borrower pledges securities, property, or other deposits for the purposes of securing the repayment of a loan and/or security.

Commercial Paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

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

Convexity – A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate – The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. It is also known as the interest rate.

Credit Quality – The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

-D-

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

Delivery Versus Payment (DVP) – A type of security transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security – Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Discount Securities – Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

-F-

Fair Value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) – Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered immediately available funds.

Federal Funds Rate – Interest rate charged by one institution lending federal funds to the other.

-F- (continued)

Federal Credit Agencies – Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC) – A federal agency that insures bank deposits, currently up to \$250,000 per depository account.

Federal Home Loan Banks (FHLB) – The institutions that regulates and lend to savings and loans associations. The Federal Home Loan Banks play a role similar to that played by the Federal Reserve Banks versus member commercial banks.

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

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

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

Financial Industry Regulatory Authority (FINRA) – A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

-G-

Government Securities – An obligation of the U.S. Government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See “Treasury Bills, Notes, and Bonds”.

-I-

Interest Rate – See “Coupon Rate”.

Interest Rate Risk – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls – An internal control structure designated to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

- **Control of collusion** – Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **Separation of transaction authority from accounting and record keeping** – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- **Custodial safekeeping** – Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

Inverted Yield Curve – A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 – Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

-I- (continued)

Investment-grade Obligations – An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

-L-

Liquidity – A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

-M-

Mark-to-Market – The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk – The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value – Current market price of a security.

Maturity – The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See “Weighted Average Maturity”.

Money Market – The market in which short-term debt instruments (bills, commercial paper, banker’s acceptances, etc.) are issued and traded.

Money Market Mutual Fund – Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury Bills, commercial paper, bankers’ acceptances, repos and federal funds).

Mutual Fund – An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940.

-N-

Net Asset Value – The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets that includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below). $[(\text{Total assets})-(\text{Liabilities})]/(\text{Number of shares outstanding})$

No Load Fund – A mutual fund that does not levy a sales charge on the purchase of its shares.

Nominal Yield – The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the “coupon”, “coupon rate”, or “interest rate”.

-O-

Offer – An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the “Ask price”.

-P-

Par – Face value or principal value of a bond, typically \$1,000 per bond.

Portfolio – Collection of securities held by an investor.

Positive Yield Curve – A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium – The amount by which the price paid for a security exceeds the security's par value.

Prime Rate – A preferred interest rate change charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus – A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain financial statements.

-P- (continued)

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public investors relating to investment practices.

-Q-

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

-R-

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

Reinvestment Risk – The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) – An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse repo) – An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act – Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

-S-

Safekeeping – Holding of assets (e.g., securities) by a financial institution.

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

-S- (continued)

Securities & Exchange Commission – Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Serial Bond – A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund – Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap – Trading one asset for another.

-T-

Term Bond – Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return – The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three and six month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Bonds – Marketable, fixed-interest U.S. government debt securities with maturities of more than ten years and issued in minimum denominations of \$1,000. Treasury bonds make interest payments semi-annually and the income that holders receive is only taxed at the federal level.

Treasury Notes – Marketable, U.S. government debt securities with fixed interest rates and maturities between 1 to 10 years. Treasury notes can be bought either directly from the U.S. government or through banks.

-U-

Uniform Net Capital Rule – SEC Rule 15C3-1 – Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ration of indebtedness to liquid capital of 15 to 1: also called net capital rule and net capital ratio. Indebtedness covers all money owned to a firm, including margin loans and commitments to purchase securities. This is one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

-V-

Volatility – A degree of fluctuation in the price and valuation of securities.

Volatility Risk Rating – A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns (“aaa” by S&P; “V-1” by Fitch) to those that are highly sensitive with currently identifiable market volatility risk (“ccc” by S&P; “V-10” by Fitch).

-W-

Weighted Average Maturity (WAM) – The average maturity of all the securities that comprise a portfolio. According the SEC Rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) – A conditional transaction in which an authorized new security has not been issued. All “when issued” transactions are settled when the actual security is issued.

-Y-

Yield – The current rate of return on an investment security generally expressed as a percentage of the security’s current price.

Yield-to-call (YTC) – The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve – A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

-Y- (continued)

Yield-to-maturity – The rate of return yielded by a debt security held to maturity when both interest payments and the investor’s potential capital gain or loss are included in the calculation of return.

-Z-

Zero-coupon Securities – Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of gradual accretion of the principal of the security and is payable at par upon maturity.

ATTACHMENT A
CITY OF TEXAS CITY, TEXAS
BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

Name of Firm: _____

Address: _____

Telephone: _____

Fax: _____

Years Established: _____

Number of Employees: _____

PRIMARY REPRESENTATIVE/MANAGER/PARTNER-IN-CHARGE:

Primary Representative(s):

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Manager/Partner-in-Charge:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Note: If a question does not apply to your organization, please place an "N/A" as your answer, so that it is not left blank.

1. Are you a primary dealer in U.S. Government Securities? Yes No

If yes, for how long has your firm been a primary dealer? Years

2. What was your firm's total volume in U.S. Government and Agency Securities last year?

Firm Wide \$
(Securities purchase and sold only)

Transactions

Local Office \$
(Including repurchase Agreements)

Transactions

3. Which instruments are offered regularly by your local desk?

- | | | |
|---|---|--|
| <input type="checkbox"/> T-Bills | <input type="checkbox"/> S and L CDs | <input type="checkbox"/> Instrumentality's |
| <input type="checkbox"/> Treasury | <input type="checkbox"/> BAs (Domestic) | <input type="checkbox"/> Commercial Paper |
| <input type="checkbox"/> Notes/Bonds | <input type="checkbox"/> BAs (Foreign) | <input type="checkbox"/> Other (Specify) |
| <input type="checkbox"/> Agencies (Specify) | <input type="checkbox"/> Bank CDs | |

4. Identify the personnel who will be trading with or quoting securities to our government's employees. (Please attach resumes for each person)

Name: _____ Name: _____

Title: _____ Title: _____

Telephone: _____ Telephone: _____

Fax: _____ Fax: _____

CRD Number: _____ CRD Number: _____

Number of Years with Firm: _____ Number of Years with Firm: _____

Email: _____ Email: _____

5. Have any or your clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of the instrument?

Yes No

If yes, please explain below:

6. Has your firm or any of your employees ever been subject to a regulator or state/federal agency investigation for alleged improper, fraudulent, disputable or unfair activities related to the sale of securities?

Yes No

If yes, please explain below:

7. How many and what percentage of your transactions failed:

Last Month? %

Last Year? %

8. Please explain your normal custody and delivery process. Who audits these fiduciary systems?

9. Will you provide a faxed and/or electronic copy of the trade ticket, no later than one business day after the trade is made?

Yes No

The following information needs to be included:

- a. Security Type and Cusip Number
- b. Issue Date, Maturity Date, Settlement Date, Trade Date, Call Date, Pay Date
- c. Risk Class, Risk Factor
- d. Rating
- e. Coupon Rate
- f. Par Value and Price

10. Does your firm consistently comply with the Federal Reserve Bank's capital adequacy guideline?

Yes No

By what factor (1.5x, 2x, etc.) does your firm presently exceed the capital adequacy guidelines measure of risk?

INCLUDE certified documentation of your capital adequacy as measured by Federal Reserve standards.

11. Please provide audited financial statements for the most current year and other indicators regarding your firm's capitalization. Audited Financial Statements enclosed?

Yes No

12. Please provide the following: (Note: Do not answer with "see financial report" as that will be construed as an unanswered question.)

- a. Debt/Equity
- b. Assets (in Millions)
- c. Net Capital (in Millions)
- d. Volume of Security Transactions (in Millions)
- e. Total Liabilities (in Millions)
- f. Total Stockholders' Equity (in Millions)

13. Are you representing a parent corporation or a subsidiary of another corporation?

Yes No

If yes, please furnish audited financial statements on your parent corporation as well as your subsidiary. Audited financial statements enclosed?

Yes No

14. Describe the precautions taken by your firm to protect the interest of the public when dealing with government agencies as investors.

15. Provide a description of the Capital line and trading limits that support/limit the office that would conduct business with our government.

16. ATTACH a copy of your National Association of Securities Dealers Registration.

17. ATTACH a copy of your State of Texas Securities Commission Registration.

18. Do you participate in the Securities Investors Protection Corporation (S.I.P.C.)?

Yes No

If no, please explain below:

19. Enclose a complete schedule of fees and charges for various transactions. Schedule of fees and charges enclosed?

Yes No

20. Do you give perfected security interest in securities under repurchase agreements?

Yes No

21. Please identify (at least five for each trader you include in this questionnaire and certification) your most directly comparable public sector clients preferably in our geographical area.

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Broker/Dealers are evaluated by the answers given on this questionnaire. Be sure to complete each question to your fullest ability and return the request by the due date in order for your company to be considered.

The City's Investment Policy has been included in the packet. The representative assigned to the account must acknowledge that they have received, read and understand the Policy by signing the Texas Public Funds Investment Act Certification by Dealer Form included in the packet.

Checklist:

- Certified documentation of your capital adequacy enclosed.
- Audited financial statement enclosed.
- Copy of your National Association of Securities Dealer Registration enclosed.
- Copy of your State of Texas Securities Commission Registration enclosed.
- Schedule of fees and charges enclosed.

ATTACHMENT B

City of Texas City, Texas Texas Public Funds Investment Act Certification by Dealer

This certification is executed on behalf of _____
(the Investor) and _____ (the Dealer) pursuant
to the Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes
Annotated (the Act) in connection with investment transactions conducted between the
Investor and Dealer.

The undersigned Qualified Representative of the Dealer hereby certifies on behalf of the
Dealer that:

1. The Dealer Qualified Representative is duly authorized to execute this Certification
on behalf of the Dealer, and
2. The Dealer Qualified Representative has received and reviewed the Investment Policy
furnished by the Investor, and
3. The Dealer has implemented reasonable procedures and controls in an effort to
preclude investment transactions conducted between the Dealer and the Investor
that are not authorized by the entity's investment policy, except to the extent that this
authorization is dependent on an analysis of the makeup of the entity's entire
portfolio or requires an interpretation of subjective investment standards.

Dealer Qualified Representative

Signature

Name (Printed)

Title

Date

Attachment C

RECOMMENDED SPONSORS OF INVESTMENT TRAINING

- Government Finance Officers Association of Texas (GFOAT)
- Government Treasurers Association of Texas (GTOT)
- Texas Municipal League (TML)
- University of North Texas (UNT)
- State of Texas

ATTACHMENT D
CITY OF TEXAS CITY, TEXAS
QUALIFIED BROKERS/DEALERS

Coastal Securities, Inc.
5555 San Felipe, Suite 2200
Houston, Texas 77056
Phone: 713-435-4352
Stuart Ford

Merrill Lynch
2100 Ross Avenue, Suite 1100
Dallas, Texas 75201
Phone: 800-574-1610

Wachovia Securities, LLC
2700 Post Oak Blvd., Ste. 800
Houston, Texas 77056
Phone: 713-599-6700
Robert Florance

SWBC Investment Services, LLC
15106 Cranbourne
Houston, Texas 77062
Phone: 281-851-6508
Paul Grover

ORDINANCE NO. 09-20

AN ORDINANCE APPROVING CHANGES TO THE CITY OF TEXAS CITY'S INVESTMENT POLICY AND STRATEGIES; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Texas Public Funds Investment Act requires each home rule municipality to adopt an investment policy by rule, order, ordinance, or resolution; and,

WHEREAS, in 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA);

WHEREAS, the City of Texas City's Investment Policy mandates how City funds are to be managed and invested;

WHEREAS, the City's Investment Policy was updated in 1998, 2000, 2004, 2005 and 2006 and is in need of City Commission review and approval;

WHEREAS, the City's Investment Policy approved in 2006 has been updated to reflect changes in the City's Investment policy and plan;

WHEREAS, the policy has a multitude of changes, many involving wording and are considered minor, the major changes are to the City's Investment Strategy and Diversification parameters; and

WHEREAS, attached hereto are the 2006 Investment Policy with strikes and additions (additions are underlined), along with the "clean" version of the policy, which will be the policy to be approved.

WHEREAS, the Finance Director has recommended approval of the Investment Policy and Strategies.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City hereby approves the City's Investment Policy, attached hereto as Exhibit "A", and made a part hereof.

SECTION 2: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 3: That this Ordinance shall be passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of May, 2009.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Pam Lawrence
City Secretary

Robert Gervais
City Attorney

CITY COMMISSION REGULAR MTG

8. (d.

Meeting Date: 09/17/2014

Appointment to Boards

Submitted By: Michelle Garcia, City Attorney
Office

Department: City Attorney Office

Information

ACTION REQUEST (Brief Summary)

Consider appointments / reappointments to various boards, commissions and committees.

BACKGROUND

The Mayor is listed for Texas City Housing Finance. This was an error and the correct person should be Genie Jennings. Additionally, Bix Rathburn should be named to the Texas City Economic Development Corporation. These are the only changes to the previous resolution.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Res 14-089

Reappointments

Res 14-084

RESOLUTION NO. 14-089

A RESOLUTION AMENDING RESOLUTION NO. 14-084, APPOINTING AND/OR REAPPOINTMENTS TO VARIOUS BOARDS, COMMISSIONS AND COMMITTEES, ADDING NAMES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, Resolution No. 14-084, appointing and/or reappointments to various boards, commissions and committees was approved by Commission;

WHEREAS, due to a clerical error names were not added; and

WHEREAS, a resolution is needed to add the correct the names;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby approves the additional names.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

BOARD/COMMISSION/COMMITTEE/ CORPORATION NAME	APPOINTEE NAME	DATE APPOINTED	REAPPOINTED	DATE REAPPOINTED	TERM EXPIRES	APPOINTMENT AUTHORITY
Animal Services Advisory Committee	Dee Ann Haney				9/30/2014	
Audit Committee	Mike Land	10/1/2012			10/1/2014	
Audit Committee	Rick Wilkenfeld	10/1/2012			10/1/2014	
Audit Committee	Thelma Bowie	10/1/2012			10/1/2014	
Bayou Golf Course Advisory Board	James Horan	10/1/2012			9/30/2014	
Bayou Golf Course Advisory Board	Alana Hilden	10/1/2012			9/30/2014	
Bayou Golf Course Advisory Board	Robin Rossman	10/1/2012			9/30/2014	
Bayou Golf Course Advisory Board	Al Goodson	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	Dee Ann Haney -replacement BM				9/30/2014	
Board of Adjustments Building & Stan	Yotarsha Barker	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	Denny Patteson	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	Joe Carranza	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	George W. Faust	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	Patrick Tarpey (ALT)	10/1/2012			9/30/2014	
Board of Adjustments Building & Stan	VACANT (ALT)				9/30/2014	
Board of Air Conditioning and Heating	James Deslate, Chairman	10/1/2012			9/30/2014	
Board of Air Conditioning and Heating	Jack Landriault	10/1/2012			9/30/2014	
Board of Air Conditioning and Heating	Larry Cook	10/1/2012			9/30/2014	
Board of Air Conditioning and Heating	Public Member - Vacant				TBA 2014	
Civil Service	Harold Fattig	10/1/2011			9/30/2014	
Danforth Health Facilites Corporation	John Hackbarth (Alt)	10/1/2012			9/30/2014	
Danforth Health Facilites Corporation	Beverly Lewis, M.D. (Alt)	10/1/2012			9/30/2014	
Housing Authority	Robert Greely	10/1/2012			9/30/2014	
Housing Authority	Jane Baucom	10/1/2012			9/30/2014	
Housing Authority	Oversia Gilbert	10/1/2012			9/30/2014	
Library Board	Halle Ketchum	10/1/2011			9/30/2014	
Library Board	Clara Irby First Appt: 4/17/13	10/1/2012			9/30/2014 *	
Library Board	Arcadio Rodriguez	10/1/2012			9/30/2014 *	
Planning Board	Kyle Dickson (replacement for Dee Ann Haney)	10/1/2012			9/30/2014	
Plumbing Appeals & Advisory Board	Mitchell Chuoke	10/1/2012			9/30/2014	
Plumbing Appeals & Advisory Board	Bob Fairey, Jr.	10/1/2012			9/30/2014	

Plumbing Appeals & Advisory Board	James Hilden, Chairman	10/1/2012			9/30/2014	
Plumbing Appeals & Advisory Board	Denny Patterson	10/1/2012			9/30/2014	
Plumbing Appeals & Advisory Board	Stephen Eggleston	10/1/2012			9/30/2014	
Public Facilities Development Corpora	Daniel V. Piazza, D.O.	10/1/2012			9/30/2014	
Public Facilities Development Corpora	Clanence Christ (Alt)	10/1/2012			9/30/2014	
Recreation & Tourism Board	Ben Cavil, Vice Chairperson	10/1/2011			9/30/2014	
Recreation & Tourism Board	Stephen Eggleston	10/1/2011			9/30/2014	
Recreation & Tourism Board	Winifred Gilmore	10/1/2011			9/30/2014	
Texas City Cultural Arts Foundation	Leslie Henderson	10/1/2011			9/30/2014	
Texas City Economic Developmet	Randy Dietel	10/1/2012			9/30/2014	
Texas City Economic Developmet	Mitchell Chuoke	10/1/2012			9/30/2014	
Texas City Harbour Authority (TCHA)	Randy Dietel	10/1/2012			9/30/2014	
Texas City Harbour Authority (TCHA)	Genie Jennings	10/1/2013			9/30/2014	
Texas City Harbour Foreign Trade	Randy Dietel	10/1/2012			9/30/2014	
Texas City Harbour Foreign Trade	Genie Jennings	10/1/2012			9/30/2014	
Texas City Historical Preservation	Teri O'Brien	10/1/2012			9/30/2014	
Texas City Historical Preservation	Jose Boix	10/1/2012			9/30/2014	
Texas City Housing Corporation	Ernestine Moreno	10/1/2012			9/30/2014	
Texas City Housing Corporation	Kyle Dickson	10/1/2012			9/30/2014	
Texas City Housing Corporation	William T. Etheredge	10/1/2011			9/30/2014	
Texas City Housing Finance	Kyle Dickson	10/1/2012			9/30/2014	
Texas City Housing Finance	William T. Etheredge	10/1/2011			9/30/2014	
Number One Board - Lago Mar Dev. A	Rick Wilkenfeld, Chairman Pos. 1	4/1/2013			9/30/2014	
Zoning Commission	Gilbert Torres	10/1/2012			9/30/2014	
Zoning Commission	Yvonne Chatelaine	10/1/2012			9/30/2014	

RESOLUTION NO. 14-084

A RESOLUTION APPOINTING AND/OR REAPPOINTING MEMBERS TO THE VARIOUS CITY BOARDS, COMMISSIONS AND COMMITTEES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on October 1, 2014, the terms of various members of the City of Texas City's Boards, Commissions and Committees will expire; and

WHEREAS, in order to continue the uninterrupted and efficient operation of the City through its Boards, Commissions and Committees, it is necessary to appoint or reappoint members to fill these positions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby appoints or reappoints the individuals named on the attached Exhibit "A" to the various Boards, Commissions and Committees for the terms as stated therein.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 3rd day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

Ord 14-21

Meeting Date: 09/17/2014

Approve 2014-2015 Fiscal Year Budget

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Approve adoption of the 2014 - 2015 Fiscal Year Budget.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Ord No. 14-22

ORDINANCE NO. 14-22

AN ORDINANCE LEVYING AN AD VALOREM TAX FOR THE YEAR 2014 FOR THE CITY OF TEXAS CITY, TEXAS, AT A RATE OF \$0.438 PER ONE HUNDRED DOLLAR (\$100.00) VALUATION OF SAID PROPERTY AT THE RATE OF \$0.383686 PER ONE HUNDRED DOLLAR VALUATION OF SAID PROPERTY FOR THE CURRENT MAINTENANCE AND OPERATIONS (M&O) EXPENSES OF SAID CITY AND AT A RATE OF \$0.054314 PER ONE HUNDRED DOLLAR (\$100.00) VALUATION OF SAID PROPERTY FOR INTEREST AND SINKING (I&S) FUND EXPENSES, AND PROVIDING FOR PENALTIES AND INTEREST ON DELINQUENT TAXES; DISPENSING WITH THE CHARTER REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That there be and there is hereby levied for the year 2014 on all property, real, personal, and mixed, situated within the territorial limits of the City of Texas City, Texas, on the 1st day of January, 2014, and not exempt by laws from taxation by said City, an ad valorem tax of and at a rate of \$0.438 (43.8¢) on each one-hundred-dollar (\$100) valuation of said property, which is comprised of the rate of \$0.383686 (38.3686¢) on each one-hundred-dollar (\$100) valuation of property for the current general operating expenses of said city and the rate of \$0.054314 (5.4314¢) on each one-hundred-dollar (\$100) valuation of property for interest and sinking fund.

The total tax of \$0.438 (43.8¢) on each one-hundred-dollar (\$100) valuation of said property levied by this Ordinance is levied at the following respective rates for the purposes hereinabove stated and is to be divided and used accordingly, namely:

At the rate of \$0.383686 (38.3686¢) on each one-hundred-dollar (\$100) valuation of property for the current general operating expenses of said City.

At the rate of \$0.054314 (5.4314¢) on each one-hundred-dollar (\$100) valuation of property for payment of General Obligation Bonds, Certificates of Obligation, and Qualified Lease Purchase Obligations of said City and the interest of said bonds and obligations.

SECTION 2: Taxes for the year 2014 shall become due and payable upon receipt of the tax bill and penalties and interest for delinquent payment shall be assessed in accordance with the Texas Property Tax Code.

SECTION 3: That taxes are to be calculated on the basis of one hundred percent (100%) of assessed value for the 2014 tax year.

SECTION 4: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 5: That this Ordinance shall be passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption.

PASSED AND ADOPTED the 17th day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

Res 14-087

Meeting Date: 09/17/2014

Ratify the Tax Increase in the 2014-2015 Fiscal Year Budget

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Ratify the tax increase reflected in the 2014 - 2015 Fiscal Year Budget that will raise more revenue from property taxes than last year's budget by \$595,403.00 or 2.643 percent, and of that amount \$70,865.45 is tax revenue to be raised from new property added to the tax roll this year.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

Ord 14-22

Meeting Date: 09/17/2014

Levy Ad Valorem Tax

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of an Ordinance levying an ad valorem tax for the year 2014 for the City of Texas City, Texas, at a rate of \$0.438 per \$100 valuation of said property; at the rate of \$0.383686 per \$100 valuation of said property for the current Maintenance and Operations (M&O) expenses of said City; and, at a rate of \$0.054314 per \$100 valuation of said property for Interest and Sinking (IS) expenses of said City.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

Res 14-088

Meeting Date: 09/17/2014

Accept and Approve 2014 Certified Tax Roll

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of the 2014 Certified Tax Roll.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Res 14-091

RESOLUTION NO. 14-091

A RESOLUTION ACCEPTING THE 2014 CERTIFIED TAX ROLL; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, in accordance with Section 26.09(e) of the Texas Property Tax Code the 2014 certified Appraisal Roll net tax value for the City of Texas City is \$5,111,871,616.00.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That, pursuant to the Calculation of Tax, Section 26.09(e) of the Property Tax Code, V.T.C.A., the City Commission of the City of Texas City accepts the 2014 Certified Tax Roll, a copy of which shall be available for inspection in the office of the Galveston County Tax Office.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September, 2014.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

Ord 14-13

Meeting Date: 09/17/2014

Consider approval of a request to amend the City of Texas City's fiscal year 2013-14 budget.

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of a request to amend the City of Texas City's fiscal year 2013-14 budget.

BACKGROUND

A budget amendment is needed to transfer funds received in the general fund, fund 101, that are actually for economic development purposes and more appropriately belong in Texas City Economic Development Corporation, fund 801.

ANALYSIS

Budget amendment is as follows:

General Fund:

Transfer to Texas City Economic Development Corporation \$200,000.00

Undesignated Fund Balance (\$200,000.00)

Texas City Economic Development Corporation:

Economic Development Expenses \$200,000.00

Transfer from General Fund (\$200,000.00)

ALTERNATIVES CONSIDERED

Fiscal Impact