



WORKSHOP & REGULAR MEETING OF THE TOWN COUNCIL

Tuesday, January 19, 2021

6:00 PM

Little Elm Town Hall

100 W Eldorado Parkway, Little Elm, TX 75068

1. Notice Regarding Public Participation and Town Council/Town Staff Attendance.

Due to the COVID-19 (coronavirus) public health emergency, and in an effort to reduce in-person meetings that assemble large groups of people, Governor Greg Abbott has granted a temporary suspension of certain rules to allow for (1) town council members and town employees to participate in a town council meeting via videoconference call or other remote electronic means without a physical quorum of council members being present at the site of the meeting; and (2) the use of videoconferencing and other remote means to allow the public to observe the meeting and, when required, to participate in the public meeting.

In an effort to reduce the spread of the virus, for the January 19, 2021, Town Council meeting, individuals will be able to address the Council on any topic through submission of the web form below. Forms received will be recorded into the record and be given to the Town Council. To access the videoconference online, follow these instructions:

- To join the Zoom meeting, click <https://zoom.us/j/91436032106>
- To view the live stream meeting, click <https://www.littleelm.org/1258/Agendas-Minutes-Video>

Individuals who wish to speak directly to Town Council may attend the meeting in-person.

2. Call to Order Council Workshop at 6:00 p.m.

- A. Invocation.
- B. Pledge to Flags.

- C. Items to be Withdrawn from Consent Agenda.
- D. Emergency Items if Posted.
- E. Request by the Town Council for Items to be Placed on a Future Agenda for Discussion and Recognition of Excused Absences.
- F. Presentation of Monthly Updates.
- G. Town Council to Highlight Items on the Agenda Needing Further Discussion or Comments Prior to the Regular Session.

3. **Workshop.**

- A. Present and Discuss **2021 Proposed Charter Amendments.**
- B. Present, Discuss, and Receive Direction on the **West Side and Economic Development Planning Initiative.**
- C. Present and Discuss **Town of Little Elm Jurisdictional Boundaries along US 380.**

4. **Roll Call/Call to Order Regular Town Council Immediately Following Council Workshop.**

5. **Public Comments**

Persons may address the Town Council on any issue. This is the appropriate time for citizens to address the Council on any concern whether on this agenda or not. In accordance with the State of Texas Open Meeting Act, the council may not comment or deliberate such statements during this period, except as authorized by Section 551.072, Texas Government Code.

6. **Consent Agenda**

All matters listed under the Consent Agenda are considered to be routine by the Town Council and require little or no deliberation. There will not be a separate discussion of these items and the agenda will be enacted by one vote. If the Council expresses a desire to discuss a matter listed, that item will be removed from the consent agenda and considered separately.

- A. Consider Action to Approve the **Minutes from the January 5, 2021 Regular Meeting.**
- B. Consider Action to Approve a **Proclamation Recognizing Hindu Swayamsevak Sangh USA (HSS) for organizing its annual Health for Humanity Yogathon from January 16 - January 31, 2021.**
- C. Consider Action to Approve a **Proclamation Recognizing National School Choice Week, January 24-30, 2021.**

- D. Consider Action to Approve Ordinance No. 1591 Amending the Town of Little Elm's Employee Manual.
- E. Consider Action to Authorize the Town to Engage with Wilmington Trust National Association (Bank) to Serve as the Town's Escrow Agent through the Deposit Agreement Related to Rudman Public Improvement District.
- F. Consider Action to Adopt Ordinance No. 1590 Amending the Updated Valencia Public Improvement District Service and Assessment Plan and Assessment Roll Adopted on August 18, 2020.
- G. Consider Action to Approve Ordinance No. 1592 Establishing the FM 720 Speed Zone.
- H. Consider Action to Approve Resolution No. 0119202101 Supporting the Highway 380 Municipal Management District No.1 Application for the Texas Parks and Wildlife Department's Recreational Trails Grant Program to Request Funding to Construct New Recreational Trails in the Union Park Community Located in Little Elm, Texas.
- I. Consider Action to Approve a Ground Lease Purchase Agreement for Certain Multi-Family Property in Little Elm, Denton County, Texas.
- J. Consider Action to Approve a Ground Lease Purchase Agreement for Certain Retail Property in Little Elm, Denton County, Texas.

7. **Public Hearings.**

- A. Continue a Public Hearing, Present, Discuss, and Consider Action to Rezone Approximately 4.4 acres of Land from Lakefront (LF) w/ Specific Use Permit for Child Care Center to Planned Development-Lakefront (PD-LF) to Allow for the Use of Mixed-Use and Commercial with Modified Development Standards, Generally Located at the Southwest Corner of Eldorado Parkway and Hillside Drive, within Little Elm's Town Limits.

8. **Reports and Requests for Town Council consideration.**

9. **Convene in Executive Session pursuant to Texas Government Code:**

- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).

- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

10. **Reconvene into Open Session**

Discussion and consideration to take any action necessary as the result of the Executive Session:

- COVID-19 Pandemic and the Town's response thereto, including the consideration of an emergency declaration ordinance.
- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

11. **Adjourn.**

Pursuant to the Texas Open Meeting Act, (Chapter 551, Texas Government Code), one or more of the above items will be taken or conducted in open session following the conclusion of the executive closed session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aide of service such as interpreters for the hearing impaired, reader or large print are requested to contact the secretary at 214-975-0452 two days prior to the meeting so appropriate arrangements can be made.

BRaille IS NOT PROVIDED.

Respectfully,

Town Secretary

This is to certify that the above notice was posted on the Town's website this 15 day of January 2021 before 5:00 p.m.



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 3. A.
Department: Administrative Services
Strategic Goal: Ensure excellence in public services while keeping up with the growth in the community
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Present and Discuss **2021 Proposed Charter Amendments.**

DESCRIPTION:

At the January 5, 2021, Town Council meeting, staff presented an overview of the previous recommendations and considerations from the 2019 Charter Review Committee. Town Council directed staff to place the same three proposals on the ballot for the May 2021 election that had been on the May 2020 ballot before the election was canceled:

- Proposal #1: Increasing Mayor and Council Member pay from \$25 per meeting to \$100 per meeting for the Mayor and \$50 per meeting for Council Members, effective June 1, 2021.
- Proposal #2: Change the budget adoption date from September 15 to September 30.
- Proposal #3: Changing the frequency of the Charter Review Committee from two years to four years.

Additionally, Town Council directed the Town Attorney to draft language for a fourth proposal that would require future Town Councils to have a strategic plan, review it at least every two years, and have a minim of 5 votes to change it. The proposed language is as follows:

SECTION 10.05 THE TOWN'S STRATEGIC PLAN

The Town Council shall enact, adopt, and maintain, by ordinance, a strategic plan that sets forth the Town's strategic vision, goals, and objectives. The Town Council shall review the strategic plan at least once every two years and re-adopt the strategic plan with those changes to the strategic plan, if any, determined by Town Council to be appropriate. The strategic plan may not be changed, however, in any manner without five (5) affirmative votes of the Town Council to adopt such changes.

This item is being brought back to Town Council to review the language for the fourth proposal and

to give staff direction on whether or not to include it on the ballot for the May 2021 election.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff requests direction from Town Council.



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 3. B.
Department: Development Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Fred Gibbs, Director of Development Services

AGENDA ITEM:

Present, Discuss, and Receive Direction on the **West Side and Economic Development Planning Initiative.**

DESCRIPTION:

Over the past few years the Town has been experiencing an increased interest in the undeveloped property on the west side of Town (***see attachment of the area***). With the addition of the newly built Walker Middle School and the transportation and improvements made by the Town and TXDOT, this area is prime for development. Knowing this, Town staff felt the need to be proactive and make sure we have a plan both from a planning and economic perspective. Towns today strive to be places where their residents can work and live in a comfortable manner. They attempt, through planning, to improve residents' quality of life with providing parks, roadway infrastructure, pedestrian opportunities to shop, a sense of community, and a sense of place or identity.

The area is within Area 8 of the Comprehensive Plan and the most undesirable uses for this area are mixed-use, big box commercial and additional lakefront homes (***see attachment from the Comp. Plan***). This initiative also supports the Strategic Plan goal of promote and expand Little Elm's identity.

Promote and expand Little Elm's identity: Maintain Little Elm's distinctive look and high development standards that provide vibrant, high-quality neighborhoods and development. Create a sense of place and brand identity that extends beyond our borders.

This planning study will allow the Town to steer development that will have the highest and best uses from a planning and economic development standpoint. This study will also develop concepts and a strategic implementation plan for the west side of the Town, generally around the intersection of West Eldorado Parkway and Oak Grove Parkway. In addition, the purpose of this process is to determine the best practices for planning and economic development so that the west side area is not competitive with other centers in the Town, such as the Lakefront District. Another focus of this initiative will be to create a preferred framework for development, optimal

mix of land uses and provide recommendations for implementation of a strategic plan for the area. The Town staff and consultant leading the process proposed to have a steering committee that will be composed of two members from each that represents the Council, Planning and Zoning Commission and the Economic Development Corporation. This will ensure we capture all the input and insight from the different perspective of each board and commission. This process will be broken up into phases below, however we are just concentrating on phase 1 at this time. The first phase will concentrate on the items below:

Phase 1 — Concept and Strategic Plan

- Review all adopted plans and studies
- 2 evening day workshops
- Visioning and Round Table Discussions (Virtually)
- Areas of interest
- Zoning and Sub code evaluation
- Potential Catalytic projects
- Recommendations and strategies
- Market research to understand basic conditions of market potential
- Recruitment strategies based on current market trend and Town Vision
- Conceptual Plans
- Implementation/Next Step Plans

Phase 2 — Implementation of Strategic Plan

- Phase two will be an initiative to support the implementation of recommended strategies that are set in Phase 1. This will involve updating any ordinances, zoning map, land uses and economic plans. If the Council wishes to move forward with the update then we will have an agenda item to discuss the scope based off the recommendations from Phase 1.

BUDGET IMPACT:

This project was approved in the FY 2020-2021 budget.

RECOMMENDED ACTION:

Staff is requesting direction from Town Council.

Attachments

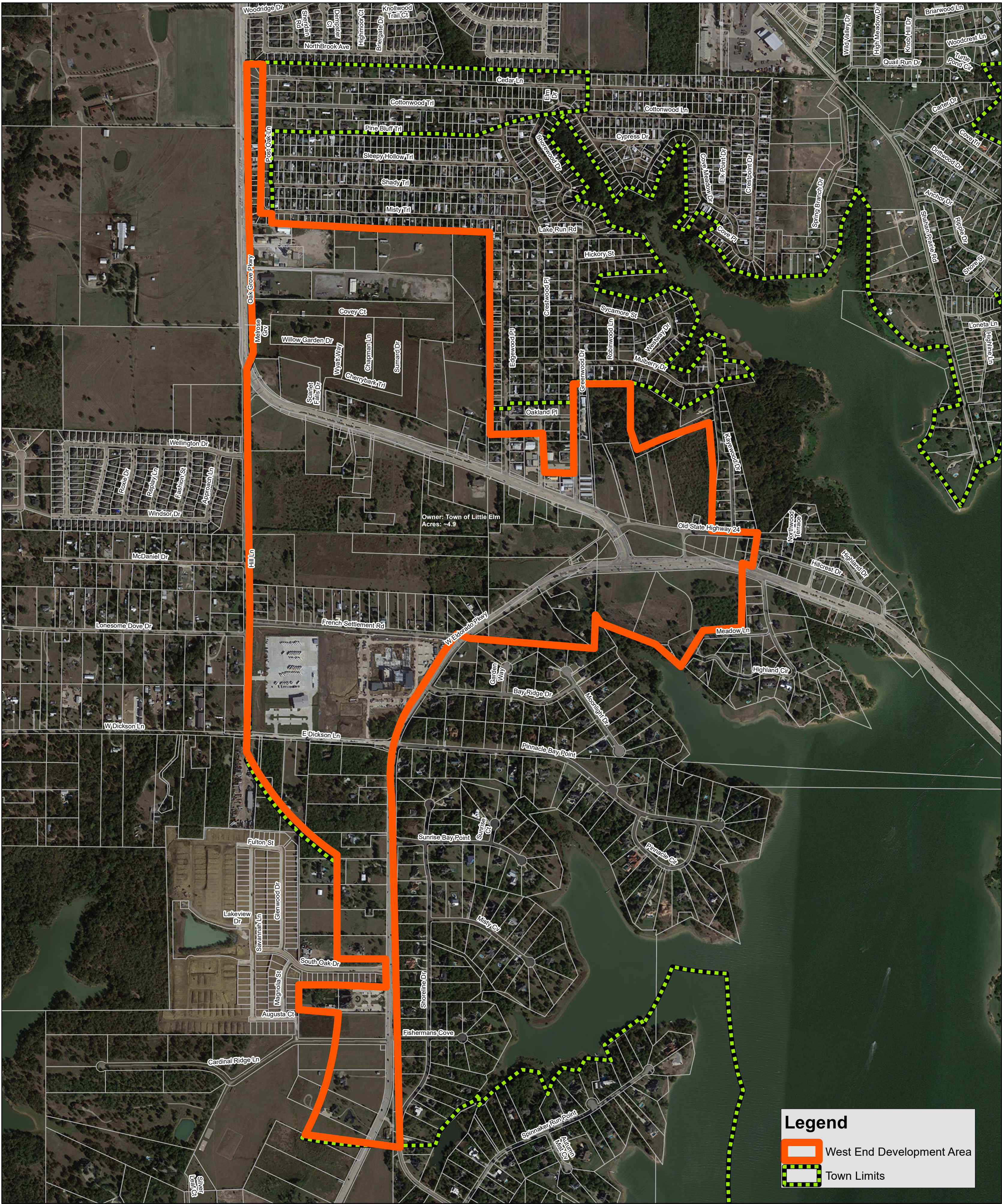
Study Area - West Side Planning

Study Area with Zoning - West Side Planning



Study Area with Future Land Use - West Side Planning

Comp Plan Area 8 - West Side Planning

Timeline - West Side Planning



Legend

-  West End Development Area
-  Town Limits



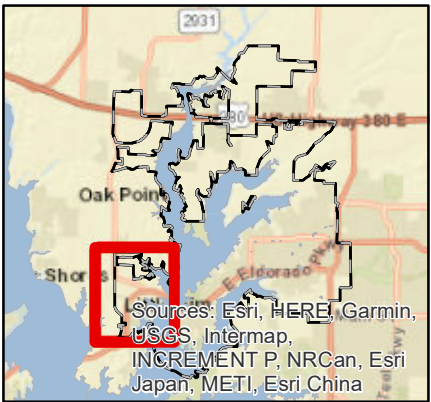
**West End
Planning Initiative**

Date: 1/12/2021
Town of Little Elm
Denton County, Tx



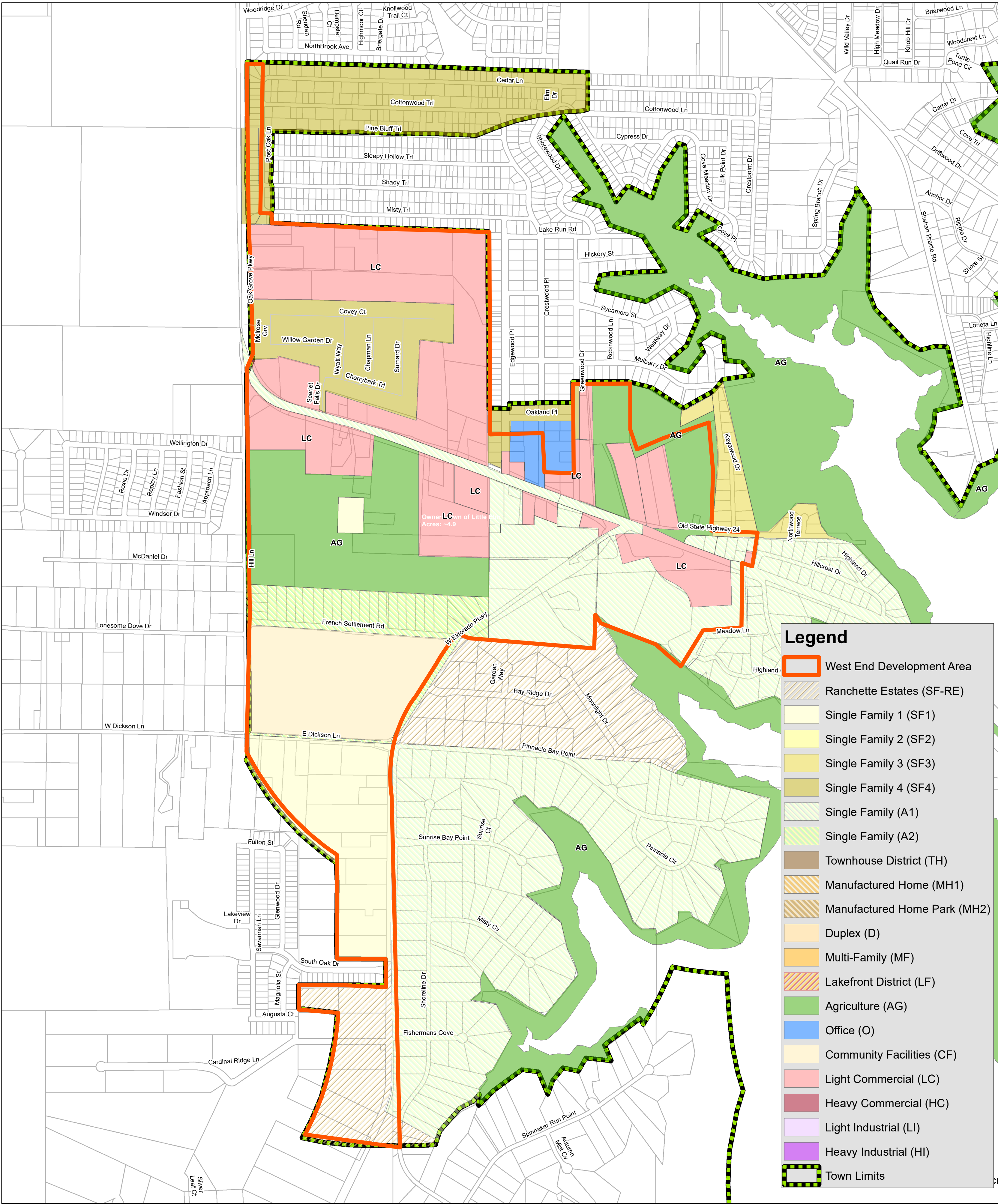
0.175 0.35
Miles

Location Map



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Legend

West End Development Area

Ranchette Estates (SF-RE)

Single Family 1 (SF1)

Single Family 2 (SF2)

Single Family 3 (SF3)

Single Family 4 (SF4)

Single Family (A1)

Single Family (A2)

Townhouse District (TH)

Manufactured Home (MH1)

Manufactured Home Park (MH2)

Duplex (D)

Multi-Family (MF)

Lakefront District (LF)

Agriculture (AG)

Office (O)

Community Facilities (CF)

Light Commercial (LC)

Heavy Commercial (HC)

Light Industrial (LI)

Heavy Industrial (HI)

Town Limits



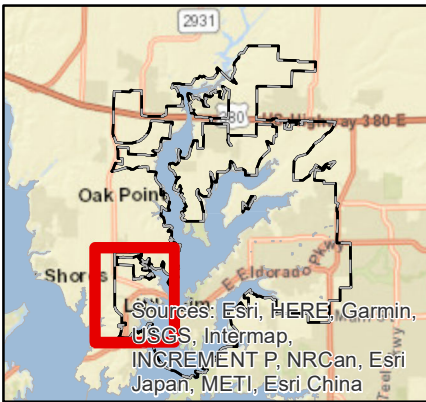
Date: 12/16/2020
Town of Little Elm
Denton County, Tx

West End
Planning Initiative



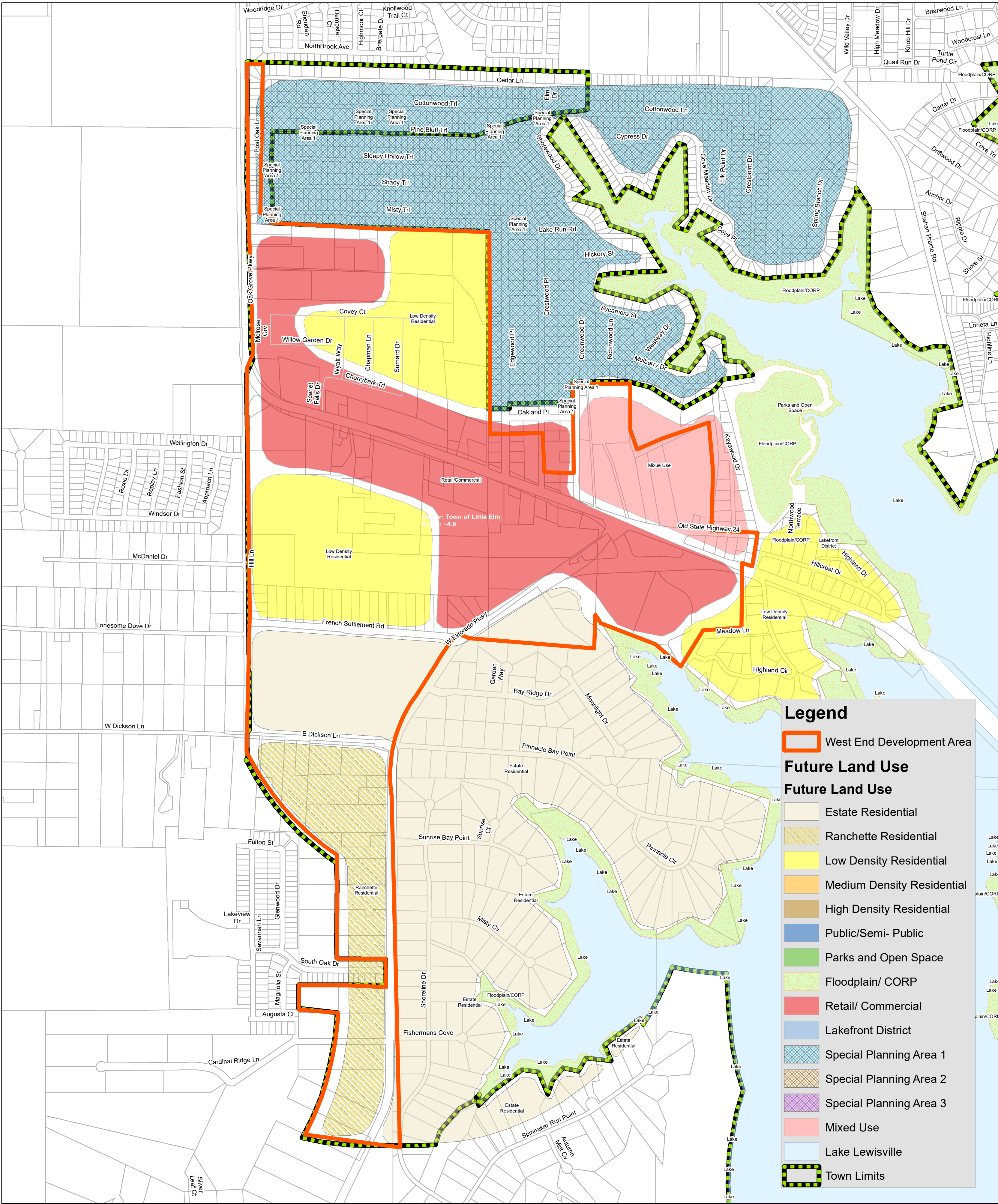
0.175 0.35
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Location Map



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Legend

West End Development Area

Future Land Use

Estate Residential

Ranchette Residential

Low Density Residential

Medium Density Residential

High Density Residential

Public/Semi- Public

Parks and Open Space

Floodplain/ CORP

Retail/ Commercial

Lakefront District

Special Planning Area 1

Special Planning Area 2

Special Planning Area 3

Mixed Use

Lake Lewisville

Town Limits



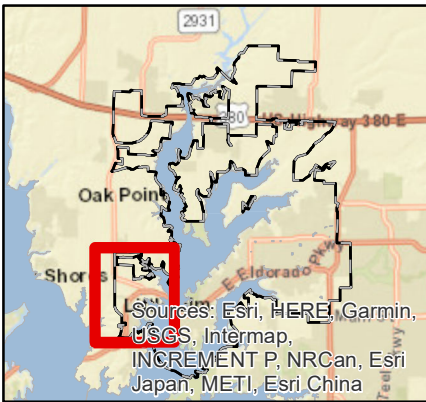
Date: 12/16/2020
Town of Little Elm
Denton County, Tx

West End Planning Initiative



0.175 0.35
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Location Map



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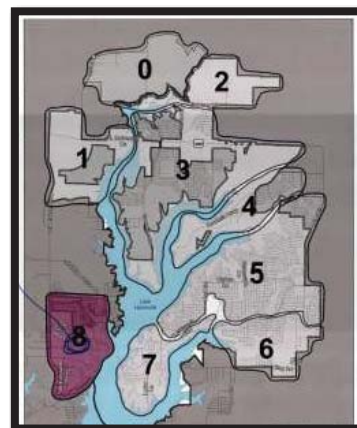
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Area 8 Visual Character Survey (VCS) Results Summary

Summary

The VCS results shows similar results for Area 7 and Area 8, however some typical single-family development is also desirable.

The most undesirable uses for this area are mixed use, big-box commercial and additional lakefront homes. This area is perceived to be of historical value.



Desirable

The following images received the votes from the majority as desirable land use.



Undesirable

The following images received the votes from the majority as undesirable land use.



VCS Results

Board Results



Key Points

Eldorado and 720 Intersection for non-residential

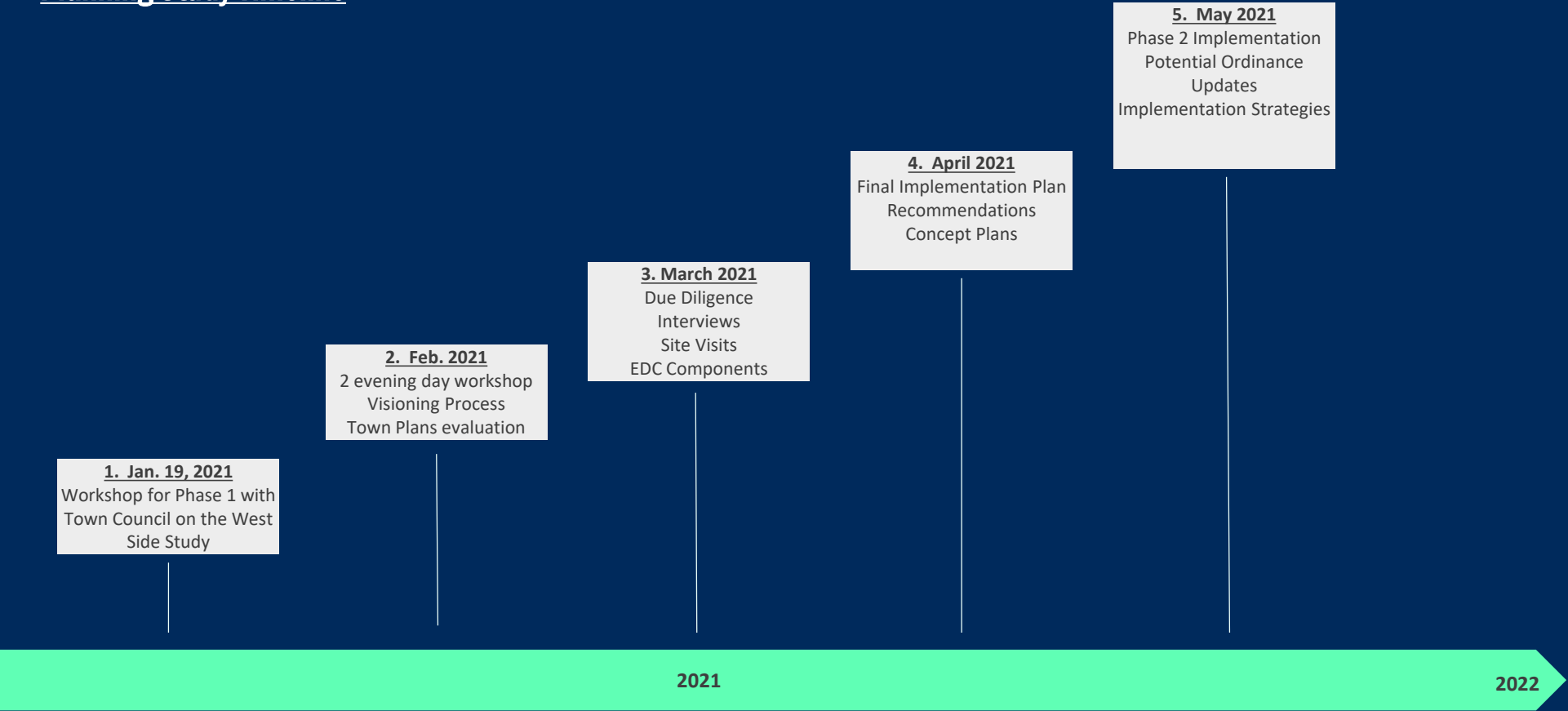
Big chunk of land west of Eldorado

Planned Development

Unique destination

Opportunity for Redevelopment

West Side Planning and Economic Development Planning Study Timeline





Town Council Meeting

Date: 01/19/2021
Agenda Item #: 3. C.
Department: Administrative Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Present and Discuss **Town of Little Elm Jurisdictional Boundaries along US 380.**

DESCRIPTION:

The Town of Little Elm boundaries along US 380 are intermittent as you jaunt in and out of our jurisdictional area because it is interrupted by other cities (Frisco, Prosper, and Providence Village), Water Districts (Frisco West, FWD #10, FWD #8A & B, FWD #11 A, B & C) and Limited Purposes Annexations (LPA) within the Extraterritorial Jurisdiction (ETJ). While we do have agreements in the LPAs to capture a portion of the sales tax generated, we do not have the authority to impose zoning or inspections.

The attached map demonstrates the boundaries of the Town along US 380.

BUDGET IMPACT:

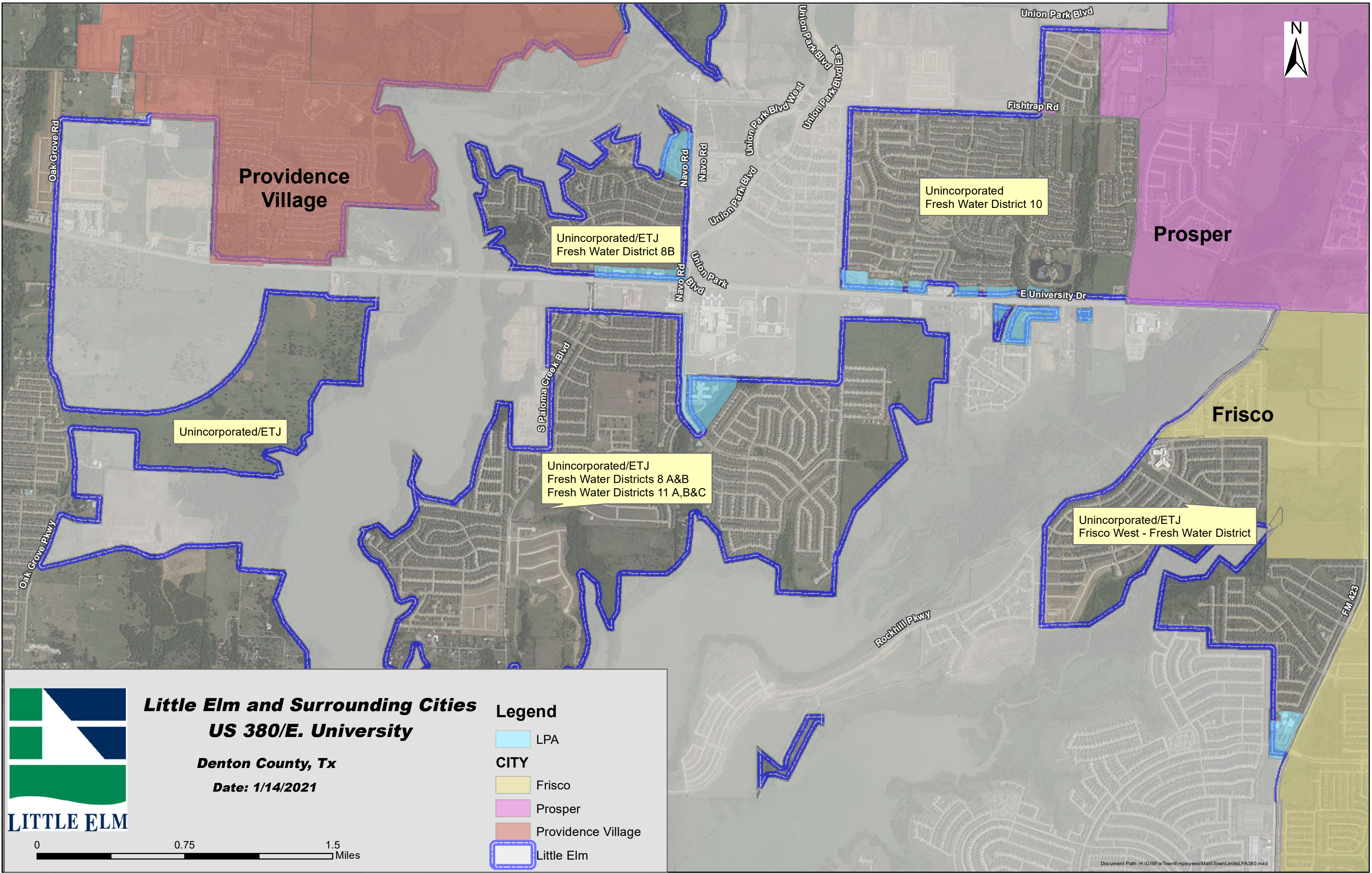
There is no budget impact for this item.


RECOMMENDED ACTION:

Information only, no action required.

Attachments

Map - Town of Little Elm Boundaries along US380





LITTLE ELM

Little Elm and Surrounding Cities
US 380/E. University
Denton County, Tx
Date: 1/14/2021

Legend

- LPA
- CITY
 - Frisco
 - Prosper
 - Providence Village
 - Little Elm



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. A.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve the Minutes from the January 5, 2021 Regular Meeting.

DESCRIPTION:

The minutes from the January 5, 2021, regular council meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes - January 5, 2021 Regular Meeting

DRAFT

Minutes
Town of Little Elm
100 W Eldorado Parkway
Little Elm, Texas 75068
214-975-0404
<http://www.littleelm.org>

REGULAR TOWN COUNCIL MEETING **TUESDAY JANUARY 5, 2021 - 6:00 p.m.**

Present: Mayor David Hillock; Mayor Pro Tem Neil Blais; Council Member Tony Singh; Council Member Curtis Cornelious; Council Member Nick Musteen; Council Member Lisa Norman; Council Member Michael McClellan

Staff Present: Caitlan Biggs, Managing Director of Strategic Services; Joe Florentino, Assistant Town Manager; Matt Mueller, Town Manager; Fred Gibbs, Director of Development Services; Jennette Espinosa, EDC Executive Director; Robert Brown, Town Attorney; Rodney Harrison, Police Chief; Skye Thibodeaux, Planning Manager

1. Notice Regarding Public Participation and Town Council/Town Staff Attendance.

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In an effort to reduce the spread of the virus, for the January 5, 2021, Town Council meeting, individuals will be able to address the Council on any topic through submission of the web form below. Forms received will be recorded into the record and be given to the Town Council. To access the videoconference online, follow these instructions:

- To join the Zoom meeting, click <https://zoom.us/j/99229148458>.
- To view the live stream meeting, click <https://www.littleelm.org/1258/Agendas-Minutes-Video>

Individuals who wish to speak directly to Town Council may attend the meeting in-person.

2. Call to Order Council Workshop at 6:00 p.m.

Called to order at 6:02 p.m.

A. Invocation.

Invocation given by Council Member Curtis Cornelious.

- B. Pledge to Flags.
- C. Items to be Withdrawn from Consent Agenda.

None.

- D. Emergency Items if Posted.

None.

- E. Request by the Town Council for Items to be Placed on a Future Agenda for Discussion and Recognition of Excused Absences.

None.

- F. Presentation of Monthly Updates.

Town Manager Matt Mueller gave an update on the conclusion of the Magic of Lights event and informed Town Council that staff is working on finalizing the numbers with an estimated 16,000 tickets sold.

- G. Town Council to Highlight Items on the Agenda Needing Further Discussion or Comments Prior to the Regular Session.

None.

3. Workshop.

- A. Present and Discuss **Proposed Charter Amendments from the Canceled May 2020 Election.**

Managing Director of Strategic Services/Interim Town Secretary Caitlan Biggs gave an overview of the previous charter amendment recommendations. Town Council gave staff direction to include Proposals #1, 2, and 3. Town Attorney Robert Brown will draft language for a new proposal that would require Town Councils to have a strategic plan, review it at least every two years, and have a minimum of 5 votes to change it. This item will return as a workshop item for further discussion on January 19, 2021.

- B. Present and Discuss the **Planned Development and History of Lakeshore Plaza Development and Adjacent Properties.**

Director of Development Services Fred Gibbs gave an overview of the timeline for the Lakeshore Plaza Development and adjacent properties. He clarified that the Town Council would be creating a new Planned Development and not amending an existing one and that the development is currently governed by the general zoning in the area.

Gibbs stated the reasons for the request that are included in the attached presentation.

4. Roll Call/Call to Order Regular Town Council Immediately Following Council Workshop.

5. Public Comments

Persons may address the Town Council on any issue. This is the appropriate time for citizens to address the Council on any concern whether on this agenda or not. In accordance with the State of Texas Open Meeting Act, the council may not comment or deliberate such statements during this period, except as authorized by Section 551.072, Texas Government Code.

Ericca Cordier, 121 Bay Place, spoke to Town Council regarding the Magic of Lights event and hopes that it will come back next year. Additionally, she spoke on the ordinance regarding Air B&Bs and prohibiting them from having events and issues with a property by the lake off of Mulberry. She has had difficulty with the county enforcing the ordinance. She is requesting help with enforcement from Little Elm.

6. Consent Agenda

All matters listed under the Consent Agenda are considered to be routine by the Town Council and require little or no deliberation. There will not be a separate discussion of these items and the agenda will be enacted by one vote. If the Council expresses a desire to discuss a matter listed, that item will be removed from the consent agenda and considered separately.

Motion by Council Member Nick Musteen, seconded by Council Member Curtis Cornelious to approve Consent Agenda.

Vote: 7 - 0 - Unanimously

- A. Consider Action to Approve the **Minutes from the December 15, 2020, Regular Meeting.**
- B. Consider Action to Approve an **Agreement between the Town of Little Elm and Paul J. Liston, as an Independent Contractor in the Position of the Little Elm Municipal Court Prosecutor for a One Year Term and Shall Automatically Renew on October 1st of Each Year Thereafter.**
- C. Consider Action to Approve the **2021 Strategic Plan.**
- D. Consider Action to Approve **Ordinance No. 1586 Providing for Refuse Rates; Providing for a Repealing Clause; Providing for a Severability Clause; and, Providing an Effective Date for Community Waste Disposal for an Annual Market Adjustment per the Current Service Contract.**
- E. Consider Action to Approve **Resolution 0105202101 for the Submission of a Grant Application to the Office of the Governor, Criminal Justice Division for the Town of Little Elm Police Department to Receive Grant Funding for Night Vision Devices for the Little Elm Police Department SWAT Team.**
- F. Consider Action to Approve the **Final Acceptance of the French Settlement Road Construction Project (Contract #2019-163).**

- G. Consider Action to Approve the **Final Acceptance of the Bluewater Drive Retaining Wall Project.**
- H. Consider Action to Approve the **Final Acceptance of the Dickson Lane Traffic Signal Project (Contract #2020-05).**
- I. Consider Action to Approve the **Final Acceptance of the Canyon Lake Retaining Wall Project.**
- J. Consider Action to Award a **Construction Contract for the Little Elm Park Swim Beach Sidewalk Project to GRod Construction and Authorize the Town Manager to Execute the Contract in an Amount Not to Exceed \$170,000.00.**

7. Public Hearings.

- A. Continue the Public Hearing, Present, Discuss, and Consider Action to Approve **Ordinance No. 1581, a Request to Rezone Approximately 4.4 acres of Land from Lakefront (LF) w/ Specific Use Permit for Child Care Center to Planned Development-Lakefront (PD-LF) to Allow for the Use of Mixed-Use and Commercial with Modified Development Standards, Generally Located at the Southwest Corner of Eldorado Parkway and Hillside Drive, within Little Elm's Town Limits.**

- 1. Staff Report:
- 2. Open Public Hearing:
- 3. Receive Public Comments:
- 4. Close Public Hearing:
- 5. Discuss and Take Action:

- 1. Staff Report: **Planning Manager Skye Thibodeaux** gave an overview of the request in the attached presentation. ***Upon motion by Council Member Musteen and second by Council Member Cornelious, Town Council entered into Executive Session at 7:12 p.m. Town Council reconvened into Open Session at 8:32 p.m. There was no action taken.***
- 2. Continue Public Hearing: **Continued from the December 15, 2020 meeting at 8:33 p.m.**
- 3. Receive Public Comments: **None**
- 4. Close Public Hearing: **Continued to the January 19, 2021 Council Meeting.**
- 5. Discuss and Take Action: Mayor indicated that additional language needed to be added to the developer's agreement regarding the establishment of the Property Owners Association in the shared use agreement for trash services. Elements that need to be addressed are the definition of the garage door material on the west and rear of the property, maintaining the height of the units, and additional landscaping on the west side of the building. Mayor requested the 3 options for interior elements chosen by the client to be included in the developer's agreement.

Motion by Council Member Michael McClellan, seconded by Council Member Curtis Cornelious to continue the public hearing until the January 19, 2021 Council Meeting.

Vote: 7 - 0 - Unanimously

B. Convene in Executive Session pursuant to Texas Government Code:

- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
 - Town Secretary
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

Convened into Executive Session at 7:12 p.m.

C. Reconvene into Open Session

Discussion and consideration to take any action necessary as the result of the Executive Session:

- COVID-19 Pandemic and the Town's response thereto, including the consideration of an emergency declaration ordinance.
- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
 - Town Secretary
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

Reconvened into open session at 8:32 p.m. There was no action taken.

D. Consider Action to Approve a **Development Agreement between the Town of Little Elm and Matt Mahdi Shekari with Lake Shore Plaza Authorize the Town Manager to Execute Amendment for the Same Subject to the Planned Development Ordinance.**

Motion by Council Member Curtis Cornelious, seconded by Mayor Pro Tem Neil Blais to table this item until the January 19, 2021 Council Meeting.

Vote: 7 - 0 - Unanimously

E. Conduct a Public Hearing, Present, Discuss, and Consider Action to Approve **Ordinance No. 1587, Proposed Amendments to the Zoning Ordinance.**

1. Staff Report:
2. Open Public Hearing:

3. Receive Public Comments:
4. Close Public Hearing:
5. Discuss and Take Action:

1. Staff Report: **Planning Manager Skye Thibodeaux** gave an overview of the request in the attached presentation.
2. Open Public Hearing: **Opened at 9:20 p.m.**
3. Receive Public Comments: **None**
4. Close Public Hearing: **Closed at 9:21 p.m.**
5. Discuss and Take Action:

Motion by Mayor Pro Tem Neil Blais, seconded by Council Member Tony Singh to approve Ordinance 1587.

Vote: 7 - 0 - Unanimously

- F. Conduct a Public Hearing, Present, Discuss, and Consider Action to Approve **Ordinance No. 1588, a Request to Rezone Approximately 4.445 acres of land from Manufactured Home (MH-1) to Duplex (D), Generally Located Approximately 225 feet to the South and West of the Misty Way and Woodgrove Drive Intersection, within Little Elm's Town Limits.**

1. Staff Report:
2. Open Public Hearing:
3. Receive Public Comments:
4. Close Public Hearing:
5. Discuss and Take Action:

1. Staff Report: **Planning Manager Skye Thibodeaux** gave an overview of the request in the attached presentation.
2. Open Public Hearing: **Opened at 9:25 p.m.**
3. Receive Public Comments: **Carter Bennett, 3209 Santana Lane, spoke regarding the MH1 rezoning. He asked who initiated the rezoning and if there was any proposed building on the property. He asked if there would be potential for mixed-use or commercial.**
4. Close Public Hearing: **Closed at 9: 27 p.m.**
5. Discuss and Take Action:

Motion by Council Member Nick Musteen, seconded by Council Member Lisa Norman to approve Ordinance 1588.

Vote: 7 - 0 - Unanimously

- G. Conduct a Public Hearing, Present, Discuss, and Consider Action to Approve **Ordinance No. 1589, a Request to Amend Planned Development Ordinance No.1283 on Approximately 35.0 acres of land, Generally Located at the Northwest Corner of U.S. Highway 380 and FM 2931, within Little Elm's Town Limits.**

1. Staff Report:
2. Open Public Hearing:
3. Receive Public Comments:
4. Close Public Hearing:

5. Discuss and Take Action:

1. Staff Report: **Director of Development Services Fred Gibbs** gave an overview of the request in the attached presentation. EDC Executive Director Jennette Espinosa explained the reason for the P&Z Commission requesting approval of the site plan was to ensure modifications would be made. Staff clarified that the applicant will have to submit more detailed plans before building.
2. Open Public Hearing: **Opened at 9:48 p.m.**
3. Receive Public Comments: **None**
4. Close Public Hearing: **Closed at 9:48 p.m.**
5. Discuss and Take Action:

Motion by Council Member Tony Singh, seconded by Council Member Lisa Norman to approve Ordinance 1589.

Vote: 7 - 0 - Unanimously

8. ***At 9:50 p.m., Town Council took the following action as a result of discussions in Executive Session earlier in the evening:***

Motion by Council Member Curtis Cornelious, seconded by Council Member Nick Musteen ***to approve Caitlan Biggs as Director of Administrative Services/Town Secretary and to approve the employment agreement between the Town and Biggs.***

Vote: 7 - 0 - Unanimously

10. **Adjourn.**

Adjourned in honor of Council Member Musteen's father, Jerry Mack Musteen, at 9:51 p.m.

Respectfully,

Town Secretary

Passed and Approved this _____ day of _____ 2020



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. B.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve a **Proclamation Recognizing Hindu Swayamsevak Sangh USA (HSS) for organizing its annual Health for Humanity Yogathon from January 16 - January 31, 2021.**

DESCRIPTION:

Hindu Swayamsevak Sangh USA (HSS) is a nonprofit charitable organization with over 235 branches in 173 cities and in 32 states including 18 branches in the Dallas-Fort Worth (DFW) metroplex with one of them located in West Frisco and Little Elm. This organization conducts a Hindu values education program and community service activities such as food drives, providing hot meals to shelters, and providing PPE to first responders in several cities across the DFW area.

HSS is organizing its annual Health for Humanity Yogathon from January 16 - January 31, 2021, with the goal of having 1000 individual participants cumulatively complete 11,000 repetitions of Surya Namaskara, or Sun Salutation, to promote the spiritual, mental, and physical wellbeing of all members of the community.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Proclamation - HSS Yogathon



LITTLE ELM

Proclamation

In Recognition of the Health for Humanity Yogathon
Organized by Hindu Swayamsevak Sangh USA

WHEREAS, YOGA is an ancient Hindu practice developed thousands of years ago in the Indian subcontinent for maintaining spiritual, mental, and physical wellbeing;

WHEREAS, SURYA NAMASKARA, or Sun Salutation, is a traditional yogic practice combining a sequence of postures with breathing exercises;

WHEREAS, HINDU SWAYAMSEVAK SANGH, or HSS, is a nonprofit charitable organization with over 235 branches in 173 cities and in 32 states including 18 branches in DFW metroplex and 1 of them in West Frisco and Little Elm, through which it conducts a Hindu values education program and community service activities such as food drives, providing hot meals to shelters and providing PPE to first responders in several cities across DFW area.

WHEREAS, HSS is organizing its annual Health for Humanity Yogathon with the goal of having 1000 individual participants cumulatively complete 11,000 repetitions of Surya Namaskara to promote the spiritual, mental, and physical wellbeing of all members of the community; and

WHEREAS, YOGA enthusiasts, yoga studios, local schools, and other community organizations are participating in the HSS Health for Humanity Yogathon.

NOW, THEREFORE, BE IT RESOLVED, I, DAVID HILLOCK, MAYOR OF THE TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS do hereby recognize HSS for organizing its annual Health for Humanity Yogathon from January 16 - January 31, 2021 to promote the spiritual, mental, and physical wellbeing of all members of the community and I urge all citizens to take cognizance of this event and participate in all the events related thereto in this community.

In official recognition whereof, I hereby affix my signature this the 19th day of January, 2021.

David Hillock, Mayor
Town of Little Elm, Texas



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. C.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve a **Proclamation Recognizing National School Choice Week, January 24-30, 2021.**

DESCRIPTION:

This proclamation provides an opportunity to shine a positive light on the K-12 education options available for children and families in the Town of Little Elm. Last year, more than 550 mayors and county leaders, along with 27 governors, the unanimous United States Senate, and the President, issued proclamations recognizing National School Choice Week.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Proclamation - National School Choice Week



NATIONAL SCHOOL CHOICE WEEK PROCLAMATION

WHEREAS all children in the Town of Little Elm should have access to the highest-quality education possible; and,

WHEREAS the Town of Little Elm recognizes the important role that an effective education plays in preparing all students in Government Name to be successful adults; and,

WHEREAS quality education is critically important to the economic vitality of the Town of Little Elm; and,

WHEREAS the Town of Little Elm is home to a multitude of high quality public and nonpublic schools from which parents can choose for their children, in addition to families who educate their children in the home; and

WHEREAS, educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and,

WHEREAS the Town of Little Elm has many high-quality teaching professionals in all types of school settings who are committed to educating our children; and,

WHEREAS, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options;

NOW, THEREFORE, I, David Hillock, Mayor of the Town of Little Elm, do hereby recognize January 24 – January 30, 2021 as the Town of Little Elm School Choice Week, and I call this observance to the attention of all of our citizens.

In official recognition whereof, I hereby affix my signature this the 19th day of January, 2021.

David Hillock, Mayor
Town of Little Elm, Texas



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. D.
Department: Administrative Services
Strategic Goal: Ensure excellence in public services while keeping up with the growth in the community
Staff Contact: Deidre Hale, Director of Human Resources

AGENDA ITEM:

Consider Action to Approve **Ordinance No. 1591 Amending the Town of Little Elm's Employee Manual.**

DESCRIPTION:

The Town of Little Elm's Employee Manual provides written guidance for our employees related to our values, policies, procedures, and benefits. This update to the manual includes more specific language for use and payout of vacation hours in Policy No. 4.01 and clarification of overtime accrual for worker's compensation injuries in Policy No. 5.12.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Ordinance 1591 - Employee Manual
Employee Manual - Redline

TOWN OF LITTLE ELM

ORDINANCE NO. 1591

**AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS
ADOPTING NEW PERSONNEL POLICIES AND REPEALING ALL
PRIOR ORDINANCES, RESOLUTIONS, AND COUNCIL
ACTIONS RELATED TO SAME; AND PROVIDING AN
EFFECTIVE DATE.**

WHEREAS, the Town Council of the Town of Little Elm has previously adopted personnel policies; and,

WHEREAS, said policies were adopted at a time when the Town had fewer employees; and,

WHEREAS, new personnel policies are needed to clearly articulate the standards expected of each employee, identify benefits and minimum work requirements, as well as promote the efficiency and productivity in management of Town employees; and,

WHEREAS, Town staff, with the assistance of legal counsel has drafted a new set of personnel policies to meet those requirements; and,

WHEREAS, these policies set forth expectations, but are in no way intended to, or should be construed as, forming a contract. All employees, other than the Town Manager, are employed at-will; and,

WHEREAS, the Town Council desires to repeal all prior adopted personnel policies and, adopt a new set of personnel policies for the benefit of the Town and its employees.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE
TOWN OF LITTLE ELM, TEXAS:**

SECTION 1. The matters set forth in the preamble are found to be true.

SECTION 2. The Town Council hereby repeals all previously adopted personnel policies whether adopted by ordinance, resolution or by Council action; and formally adopts the personnel policies attached hereto.

SECTION 3. Future additions and modifications to the new personnel policies will be made by Town Council, either by resolution or ordinance. Said additions or modifications shall be distributed to all employees at the time of their adoption.

SECTION 4. Interpretations of these personnel policies are left to the discretion of the Town Manager.

PASSED, APPROVED, AND ADOPTED by the Town Council of the Town of Little Elm, Texas on this 19th day of January, 2021.

TOWN OF LITTLE ELM, TEXAS

David Hillock, Mayor

ATTEST:

Caitlan Biggs, Director of Administrative Services/Town Secretary



EMPLOYEE MANUAL

Integrity · Efficiency · Customer Service · Innovation



Welcome to the Town of Little Elm! We hope that you will find the Town a great place to work and serve the community. In the Town of Little Elm, our culture is built on the philosophy of servant leadership. Servant leadership is about putting the needs of others before self; it is about serving people. It is about identifying and meeting the needs of customers, enhancing our service to others, and contributing to Little Elm being a desirable lakeside destination for all people to live and play while enjoying a safe, vibrant, and welcoming community. To fully live as servant leaders, as individuals and as a Town, we operate under four core values that guide our every action and decision.

Integrity – We are honest, loyal, trustworthy, transparent, fair, and open minded, and have a culture of accountability. We keep our word and admit our mistakes. We stand up for what is right even in the face of a challenge, and do what is right, even if no one notices.

Customer Service – We are respectful, positive, attentive, approachable, responsive, and empathetic. We focus on being able to assist internal and external customers, not simply accommodate them. Whether the answer involves going the extra mile or sometimes even delivering bad news, we are courteous, patient, humble and professional.

Efficiency – We recognize that we are entrusted with resources ultimately owned by the community, and as stewards of those, are committed to use the minimum resources required to realize the maximum result. We will find the shortest path on a route or in a process, and operate without waste, with proper use of taxpayer dollars, and without compromising quality.

Innovation – We have a willingness to grow, to explore new ideas and to challenge the status quo. We are open to change though we do not seek change unnecessarily. We allow the freedom to try new things, and recognize that through creativity and reasonable risk, we will build a stronger, healthier Town together. We are an organization dedicated to learning and continuous improvement.

APPROVAL

This personnel policy of the Town of Little Elm, adopted by Ordinance #159157 on ~~July 21, 2020~~ January 19, 2021, and supersedes all previously adopted personnel related policies of the Town of Little Elm attached as [Appendix A](#).

Who We Are

Our organizational culture centers on servant leadership and we believe that service to others is more important than our individual needs. We are a values driven organization that incorporates the values of integrity, customer service, efficiency, and innovation in everything that we do. We promote a fun, optimistic, and fulfilling work environment that contains an energy where team members are excited to come to work and serve the community.

We also believe the high service levels we provide are a reflection of the employees who work for the organization. We empower our team members and are committed to an environment where employees at all levels can use their judgment to fulfill the service needs of the community.

We are honest, loyal, trustworthy, transparent, fair, and open minded, and have a culture of accountability. We keep our word and admit our mistakes. We stand up for what is right even in the face of a challenge, and do what is right, even if no one notices.

We expect a team oriented atmosphere where departmental lines and job descriptions are merely a guide. Our employees engage in an environment of cooperation and focus on getting the job done. We believe that success is shared and that praise is important. Our employees should be motivated and competent individuals who are held to high standards and put tremendous effort in achieving success.

We place a great amount of importance on the interaction with our customers. We are respectful, positive, accessible and approachable, responsive, and empathetic. We openly communicate and give our full attention. We focus on being able to assist internal and external customers, not simply accommodate them. Whether the answer involves going the extra mile or sometimes even delivering bad news, we are friendly, courteous, patient, humble and professional.

We recognize that we are entrusted with resources ultimately owned by the community, and as stewards of those, are committed to use the minimum resources required to realize the maximum result. We will find the shortest path on a route or in a process, and operate without waste, improper use of taxpayer dollars, and without compromising quality. We believe in a streamlined process that eliminates red tape wherever possible.

We promote reasonable risk taking in the name of innovation. We have a willingness to grow, to explore new ideas, to challenge the status quo, to constantly seek opportunities to improve and streamline efforts. We are open to change though we do not seek change unnecessarily. We allow the freedom to try new things, and recognize that through creativity, teamwork, discipline, and hard work, we will build a stronger, healthier Town together. We are a learning organization, always developing our employees, and committing ourselves to excellence.

Finally, we will be an organization that sets an example to others for how a municipal service organization should operate. We have a standard of excellence and we focus on the character of our team members. We realize that it is an honor and a privilege to serve the public and we are proud to represent the Town of Little Elm.

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INTRODUCTION

POLICY 1.01: ETHICS POLICY

Ethics are an essential component of maintaining the public trust and achieving the Town's value of integrity. The Town Council has adopted an ethics policy covering all Town officials and employees. See [Appendix B](#) – Ordinance adopting ethics policy. Employees are responsible for understanding and complying with this ordinance. Among other things, the ordinance requires the following:

No employee of the Town shall:

- 1) Accept any gift or economic benefit of more than \$50.00 in value from any person or entity in which gift or economic benefit might reasonably tend to influence such officer, official or employee in the discharge of official duties, or grant in the discharge of official duties any improper gift, economic benefit, service or thing of value; however, the provisions of this subsection shall not apply to any political contribution made pursuant to the Texas Election Code;
- 2) Use his or her official position to solicit or secure special privileges or exemptions for himself/herself or others;
- 3) Directly or indirectly disclose or use any information gained solely by reason of his or her official position for his or her own personal gain or benefit or for the private interest of others;
- 4) Transact any business on behalf of the Town in his or her official capacity with any business entity of which he or she is an officer, agent or member or in which he or she owns a substantial interest. If such a circumstance should arise, then in the case of an officer or official, he or she shall make known such interest and abstain from voting on the matter, or in the case of an employee, he or she shall turn the matter over to the employee's supervisor for reassignment, state the reasons for doing so and have nothing further to do with the matter involved;
- 5) Engage in any outside activities which will conflict with his or her assigned duties in the Town, or which his or her employment with the Town will give him or her an advantage over others engaged in a similar business, vocation or activity;
- 6) Engage in outside activities incompatible with the full and proper discharge of his or her duties and responsibilities with the Town, or which might impair his or her independent judgment in the performance of his or her public duties;
- 7) Receive any fee or compensation for his or her services as an officer, official or employee of the Town from any source other than the Town, except as may otherwise be provided by law. This shall not prohibit an officer, official or employee from performing the same or other services that he or she performs for the Town for a private organization if there is no conflict with his or her Town duties and responsibilities;
- 8) Represent, directly or indirectly, or appear on behalf of the private interests of others before any agency, board, commission, authority or committee of the Town, or accept any

retainer or compensation that is contingent upon a specific action being taken by the Town or any of its agencies, boards, commissions, authorities or committees, unless such officer, official or employee of the Town has made full disclosure of such representation, retainer or compensation. For purposes of this section, the term "full disclosure" shall mean:

- a. The filing of an affidavit with the Town Secretary describing such representation, retainer or compensation;
 - b. Disclosure, either orally or in writing, to the other members of the Town agency, board, commission, authority or committee;
 - c. Refraining from any other discussion of the matter with other members of the Town agency, board, commission, authority or committee; and
 - d. Refraining from voting on or participating in the consideration of such matter by the Town agency, board, commission, authority or committee.
- 9) Knowingly perform or refuse to perform any act in order to deliberately hinder the execution and implementation of any Town ordinances, rules or regulations or the achievement of official Town programs;
 - 10) Have a substantial interest, direct or indirect, in any contract with the Town or a substantial interest, direct or indirect, in the sale of the Town of any land, rights or interest in any land, materials, supplies or service;
 - 11) Participate in a vote or decision on any matter in which the officer or official has a direct or indirect substantial interest or in which a relative of the officer or official has a direct or indirect substantial interest;
 - 12) Grant any special consideration, treatment or advantage to any individual, business organization or group beyond that which is normally available to every other individual, business organization or group. This shall not prevent the granting of fringe benefits to Town employees as an element of their employment or as an added incentive to the securing or retention of employees;
 - 13) Knowingly disclose information deemed confidential by law; or
 - 14) Participate in any vote or decision relative to any amendment to the Town's comprehensive master plan or any change in the zoning classification of property if the officer, official, employee or a relative of the officer, official or employee has any interest in any property within 200 feet of the property which is the subject of the amendment to the Town's comprehensive master plan or on which the change in zoning classification is proposed. Further, any officer, official or employee who has any such interest in property shall be legally disqualified from participating in any vote or decision relative to the comprehensive master plan amendment or change in zoning classification.

POLICY NO. 1.02: AT-WILL EMPLOYMENT

This manual (including any modification) is prepared for informational and guideline purposes only and does not constitute a contract in any respect between the Town of Little Elm and its employees. The Town expressly disclaims any intent to form a contract. Employment with the Town of Little Elm is "at-will," and either the employee or the employer may terminate the relationship at any time for any or no reason. The Town Manager may remove with or without

cause any employee of the Town who is not appointed by the Town Council. This removal power is subject to any exceptions in the applicable provisions of the Town Charter.

All statements in this manual regarding the at-will status of Town employees or any benefits provided herein shall control any contradictory statements by any other person, whether oral or written.

The at-will status of any employee may not be modified or rescinded by any oral or written statements by any person, including appointed or elected officials, any employee handbooks, employment applications, Town of Little Elm memoranda, or other materials provided to employees in connection with their employment. Similarly, the Town's policies and practices with respect to any matter or any benefits now offered may be terminated at any time and are not to be considered as creating any contractual obligation on the Town's part.

Statements of specific grounds for termination set forth in this manual or in any other Town documents are examples only, are not all-inclusive lists, and are not intended to restrict the Town's right to terminate at will.

Completion of an introductory or probationary period or "regular status" does not change an employee's status as an employee at-will or in any way restrict the Town's right to terminate such an employee or change the terms or conditions of employment.

POLICY NO. 1.03: APPLICATION OF POLICIES AND AMENDMENTS

The policies in this manual shall apply consistently and uniformly to all Town employees, provided that the provisions may be varied in the case of an employee with a written employment agreement approved by the Town Manager. All employees must become familiar with and abide by these policies. The Town Manager reserves the right to make final decisions as to the interpretation and intent of all information contained in the Employee Manual. The provisions of these policies control over any contradictory statement made by any supervisor. Except as otherwise noted herein, all forms and implementation procedures will be provided by the Human Resources Department.

The Town encourages employees to suggest improvements to these policies. Any employee who wishes to suggest a personnel policy change should submit their suggestion(s) in writing to the Human Resources Department. Employees are responsible for knowing and using these rules and for requesting clarification or assistance when needed. Employees will be notified in writing of any changes to this policy manual.

At the discretion of the Department Head, in consultation with the Human Resources Director, and written approval from the Town Manager, each department may develop and implement departmental policies, procedures, rules, regulations and/or practices which apply to that department only and which are separate from and in addition to the policies, procedures, and regulations contained in the Employee Manual. Departmental policies, procedures, rules, regulations and/or practices shall be consistent with those contained in the Employee Manual. No such departmental rule is effective until approved in writing by the Town Manager. A copy of all departmental rules and policies will be filed with the Human Resources Director. In the event of any conflict between departmental rules and policies and this Employee Manual, the policies

in this Manual shall control.

POLICY NO. 1.04: DIVISION OF RESPONSIBILITY

Except matters reserved to the Town Council by the Town Charter, the general and final authority for personnel management rests with the Town Manager.

Unless the Town Council takes action to declare otherwise, the Town Council grants the Town Manager concurrence with his or her decision to appoint, suspend, and/or remove all or any one of the Department Heads of the Town of Little Elm.

The Human Resources Department is specifically assigned to coordinate all areas of personnel administration, including payroll and benefits.

Each supervisor is responsible for enforcing the provisions of these rules, related policies and procedures by cooperating with the Human Resources Department on all matters pertinent to their respective department. Department Heads are responsible for employee-management relations, training and career development, and employee health, safety, and morale.

POLICY NO. 1.05: EQUAL EMPLOYMENT OPPORTUNITY

The Town is an equal opportunity employer. Discrimination against any person in recruitment, examination, selection, appointment, rate of pay, promotion and transfer, retention, daily working conditions, testing and training, awards, compensation and benefits, disciplinary measures or any other aspect of employment or personnel management because of age, race, religion, sex, color, national origin, sexual orientation, gender identity, citizenship, disability, veteran's status, or other unlawful basis, is prohibited.

POLICY NO. 1.06: WORKPLACE DIVERSITY

The Town will apply good efforts to seek out, employ, train, and promote underrepresented, protected group members within and into the Town's workforce.

POLICY NO. 1.07: EMPLOYEE SAFETY

The Town wants to conduct its operations with the utmost regard for the safety of its employees and its citizens. The Town will not require any employee to perform hazardous duty without first receiving training concerning the hazard and proper work methods. The Town Manager will provide for health and safety programs appropriate to create a safer working environment. Employees shall not be subject to reprisal or retaliation for filing a worker's compensation claim or for reporting unsafe conditions to management or outside enforcement authorities. Employees are required to report any accidents or unsafe conditions or practices to their supervisor immediately so that corrective action may be taken. Any suggestions an employee makes to lessen the possibility of "on the job" accidents and injuries are appreciated and will be given serious consideration. All accidents and injuries, regardless of how minor, are required to be reported to supervisors, Department Heads, and Human Resources on forms provided by the Human Resources Department.

In addition to individual departmental safety policies, all employees shall make use of Personal Protective Equipment provided by the Town. Employees are at greatest risk of severe injury when working within the public right of way. As such, every employee performing any duties within the roadway will wear reflectorized outer garments. Same is required in all work zones and construction sites.

POLICY NO. 1.08: BASIC EMPLOYMENT QUALIFICATIONS

In addition to the qualifications applicable to each position, an applicant for employment with the Town must:

- Meet the requirements under any federal and state child labor laws;
- Provide authorization for pre-employment background and criminal history checks relevant to the position being sought;
- If the applicant has previously been employed by the Town, the Department Head must receive prior approval from the Town Manager;
- Consent to conditional pre-employment physical evaluation and drug testing, if applicable;
- Be at least 17 years of age for a Full-Time position, 16 years of age for a Part-Time or seasonal position, or meet special age requirements for the Police Department;
- Be of good moral character;
- Be a citizen of the United States or possess authorization to work legally in the United States;
- Dedicated to the Principles of Servant Leadership and exhibit the values of Integrity, Customer Service, Efficiency, and Innovation.

YOUR EMPLOYMENT

POLICY NO. 2.01: ATTENDANCE AND WORK HOURS

Work Hours. The hours during which Town offices and departments are open for business shall be determined by the Town Manager. Department Heads shall implement schedules to meet these general requirements and to provide for other specific requirements of the department. Individual employees may be directed to work special hours or shifts as determined by the needs of the department. Work schedules must be easily accessible to all employees in departments with continuous operation or rotating shifts.

Full-Time. Employees who work a regularly assigned, year around work shift averaging 40 or more hours per week are classified as Full-Time employees.

Part-Time. Employees who work a regularly assigned, year round work shift averaging less than 29 hours per week are classified as Part-Time employees:

- Part-Time I employees are employees who are not regularly scheduled and typically work irregular hours per pay period based on the scheduling needs of the organization.
- Part-Time II employees are employees who are regularly scheduled and typically work a consistent number of hours per pay period.
-

Seasonal. Employees hired for seasonal periods less than seven months per year. Seasonal employees may work more than 40 hours per week, but cannot work more than 1,000 hours annually.

Regular Work Cycle (non-police/fire personnel). These employees of the Town normally work 40 hours in a seven-day workweek except as noted herein. Exempt employees may be required to work in excess of 40 hours. For payroll and recordkeeping purposes, the workweek begins on a Wednesday at midnight, and ends on the following Tuesday at 11:59 p.m.

Work Cycle (Fire Department). The official work period for fire fighters on shift rotation consists of a 14-day period beginning on a Wednesday at midnight and ending on a Tuesday at 11:59 p.m.. Fire fighters -will receive overtime pay for all hours actually worked (or, hours that count towards the overtime threshold) in excess of the 106 work hours in a 14-day work period, in accordance with Section 207(k) of the Fair Labor Standards Act.

Work Cycle (Police Department). The official work period for police officers on shift rotation consists of a fourteen-day period beginning at midnight on a Wednesday and ending at 11:59 p.m. on a Tuesday, resulting in a total of 84 scheduled work hours each work period [seven (7) twelve-hour (12- hour) days]. Eligible employees will receive overtime pay for all work hours in excess of 80 work hours in a fourteen-day work period in accordance with the waiver document which has been executed by a majority of the Town police officers pursuant to §142.0015 TLGC. (See [Appendix D](#))

Work Cycle (Police & Fire Department) Special Provision. The Town is subject to Texas Local Government Code § 142.0015., a state law regulating the calculation of overtime for firefighters and police officers. (See [Appendix D](#))

Flexible Workweek Schedule. Contingent on available staffing, a temporary, flexible workweek schedule may be available for Full-Time employees. Department Heads have the ability to establish temporary flexible work schedules as long as service levels and productivity standards are maintained.

All permanent work schedules for non-police/fire personnel, other than a “8 hours/day, 5 days/week” or the administrative office hours schedule, must be approved in writing by the Town Manager.

Meal Periods for Non-Exempt and Non-Police/Fire Personnel. These employees are normally provided a one-hour unpaid meal break near the middle of the workday. The Department Head may stagger meal periods in order to minimize departmental interruption. Supervisors will provide employees with the starting and ending times for their specific meal periods. Employees will be relieved from work responsibilities during unpaid meal breaks. These employees may not extend meal breaks beyond their assigned period without approval from their supervisors. Employees may not “work through lunch” without supervisor approval.

Attendance and Punctuality. To maintain a safe and productive work environment, the Town expects employees to be reliable and punctual in reporting to work. Any absenteeism or tardiness is disruptive and places a burden on the Town and on coworkers. Either may lead to disciplinary action, up to and including termination of employment. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, the employee must personally notify their supervisor at least one hour in advance of the anticipated tardiness or absence; more notice may be required in accordance with individual departmental procedures. The employee must notify their supervisor of their absence or tardiness and state the date and time of their anticipated arrival. For absences of one day or more, the employee must personally notify their supervisor on each day of their absence. For absences of more than two consecutive work shifts for 8, 9, or 10 hour work shift personnel, or one work shift for 12 or 24 hour shift personnel, the employee’s supervisor must notify the Human Resources Department no later than the third day of absence in order to properly administrate the Family and Medical Leave Act procedures as covered in [Appendix E](#) to this policy.

In most instances, an employee who fails to properly notify their supervisor in advance of an absence or tardy will be subject to disciplinary action up to and including termination of employment. An employee who fails to notify his/her immediate supervisor of an absence of three days or more may be presumed to have voluntarily resigned their employment.

Overtime. All employees shall be required to work overtime when necessary as determined by their supervisor. Specific overtime assignments shall be rotated and allocated as evenly as possible among employees qualified to do the work. Employees are expected to respond to a reasonable request to work overtime and may be subject to disciplinary action for failing to stay or report for overtime work.

POLICY NO. 2.02 SAFE HARBOR POLICY

It is the Town's policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws.

Review Your Pay Stub. The Town makes every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes happen and are called to our attention, the Town will promptly make any corrections necessary. It is the employee's responsibility to review their pay stub when received to make sure it is correct. If the employee believes a mistake has occurred, or has any questions, they should immediately contact their immediate supervisor or Human Resources Department.

Non-exempt Employees. Non-exempt employees are compensated at an hourly rate for all hours worked for the Town. While it may be subject to review and modification from time to time, such as during salary review times, the hourly rate will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform. Non-exempt employees are eligible for overtime pay and must maintain an accurate written record of the total hours worked each day. These hours must be accurately recorded on the timesheet provided. Each employee must sign their timesheet to verify that the reported hours worked are complete and accurate (and that there is no unrecorded or "off-the-clock" work). Timesheets must accurately reflect all regular and overtime hours worked, any absences, early or late arrivals, and early or late departures. Meal breaks are not compensable except for police officers and fire fighters on 12-hour or 24-hour shift assignments. At the end of each pay period, all employees are required to submit their completed timesheet for verification and approval. Upon receipt of each paycheck, it is the employee's responsibility to verify the accuracy of reported hours and pay. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including termination of employment.

Exempt Employees. Exempt employees receive a salary which is intended to compensate them for any and all hours worked for the Town. This salary is established at the time of hire or when becoming classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform. Exempt employees are required to complete timesheets in the same manner as non-exempt employees. Days worked must be accurately accounted for on the employee's timesheet. Timesheets must accurately reflect days where sick leave, vacation, personal time, or holiday time has been used. Any employee who fails to report vacation, sick, or personal time used will be subject to disciplinary action, up to and including termination of employment.

Falsification of Timesheet. It is a violation of Town policy for any employee to falsify a timesheet or to alter another employee's timesheet without the employee's signed acknowledgement of the change. It is also a violation of the Town's policy for any employee or manager to instruct another employee to incorrectly or falsely report hours worked or alter another employee's timesheet to under or over report hours worked. All employees are required to report any falsifications immediately to the Human Resources Department.

To Report Concerns or Obtain More Information. Any employee with questions about payroll deductions, hours worked, or pay should contact the Human Resources Department.

Follow up and Investigations. Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination of employment for any employee(s) who violate this policy. In addition, the Town will not tolerate any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Town's investigation of such reports.

POLICY NO. 2.03: ONBOARDING & PROBATIONARY PERIOD

All new employees hired to fill regular Full-Time or Part-Time I and II positions must satisfactorily complete a list of onboarding and training requirements as well as complete a probationary period of six months*. Additionally, all current employees who are transferred or reclassified to a higher position, as well as former Town employees who are rehired, must satisfactorily complete a performance probationary period of six months. The onboarding and training requirements ensure that employees are exposed to the Town's core values, philosophies, behavioral expectations and essential workplace practices. The probationary period assists the Town in maintaining an effective, productive, and efficient workforce to provide quality services to the citizens. In certain circumstances, an extension of the orientation and/or training time may be added to the probationary period, as deemed necessary by the Department Head.

Each probationary employee is responsible for knowing, understanding, and meeting the expectations and standards for their position. In addition, each employee is also responsible for performing their job in a safe, productive, and effective manner within the instructions and established standards for the position. Furthermore, employees are expected to maintain acceptable standards of conduct in their employment. During the probationary period, it is the responsibility of the employee to correct any deficiencies or inadequacies in job performance, attitude, or conduct. Only those employees who meet acceptable performance and other standards during their probationary period will be retained as employees.

Probationary employees are not eligible for step raises.

Required Activities. Before the completion of the probationary period, all new employees must complete the following:

- Individual Meeting with the Town Manager
- Participation in New Employee Orientation
- Diversity Training
- Sexual Harassment/Anti-Harassment Training
- Review of Personnel Policies and Procedures
- Review of Benefits and Wellness Policy (Full-Time employees only)
- Cyber Security Training

Additional training may be required by the Town Manager or individual Department Heads in order to fully equip the employee with the knowledge needed to accomplish specific job duties or be successful at the Town of Little Elm.

Seasonal/Temporary Employees. Seasonal and/or temporary full and part-time employees do not serve a performance probationary period.

Probationary Performance Management. All probationary employees shall be consistently coached and evaluated by their supervisor and create an Individual Development Plan (IDP). Supervisors shall meet with new employees on their first day to go over the expectations of the positions. The Supervisor shall follow up with the employee at the end of their first week and each month during their probationary period to assess the employee's performance and provide feedback on their strengths and areas of needed improvement. These reviews are designed to evaluate each employee's performance and to communicate that performance to the employee. If the employee is proposed to be retained as a Regular employee, then signed original documentation of these coaching sessions must be forwarded to the Human Resources Department along with any request for change of employment status.

Extensions to Probationary Period. The performance probationary period may be extended under the following circumstances:

- At the end of the six-month probationary period, performance probation may be extended for up to an additional three months when a probationary employee's performance has been marginal due to extenuating circumstances, additional training is warranted, or an employee's absence from work for an extended period of time did not permit an opportunity for adequate assessment of performance. If an extension is granted, the employee will be advised in writing and given the date on which the extended probation period will be completed. Such extension will be at the sole discretion of the Department Head with written notification filed with the Human Resources Department.
- A probationary period may be extended for time spent on an approved Leave of Absence including leaves of absences due to injury or illness or approved Military Leave. The approved extension will normally equal the length of time away from work. Accordingly, each full-day absence incurred by an employee during the probationary period will normally extend the six-month probationary period by an additional day.

Successful Completion of Probation/"Regular" Status Granted. An employee is granted "regular" status in the new position if the employee's supervisor has completed the written performance management documents that indicate satisfactory completion of the performance probationary period.

Termination of Probationary Employment. Probationary employees are at-will employees and may be terminated at any time during the probationary period, with or without notice or cause. Probationary employees are otherwise subject to all policies and procedures of the Town. Department Heads will process termination through the Human Resources Department.

Sexual and Other Unlawful Harassment and Other Policies Apply. Probationary employees are subject in all respects to the policies set forth in the Employee Manual, including the Town's Sexual and Other Unlawful Harassment Policy ([Policy No. 6.02](#)). If any employee believes that they have been subjected to unlawful harassment or discrimination, they must immediately

report such conduct as set out in Town Policy No. 6.02.

***Firefighter Exception.** Due to the rigorous requirements and extensive field training requirements of the job, all new hired firefighters will have up to a one-year probationary period. This does not affect any leave policy.

POLICY NO. 2.04: VACANT POSITIONS

The Human Resources Department will post announcements for all employee vacancies, excluding vacancies to be filled by administrative transfer, reassignment, temporary promotion, or reinstatement. Vacant positions may be posted internally when it is believed there is an adequate pool of qualified candidates available to provide opportunities for current employees to advance within the organization. Entry level positions and other vacancies will be advertised externally in a manner to attract the most number of qualified candidates. Employees are encouraged to apply for any vacancy for which they feel they are qualified. Vacancy announcements will specify the requirements for the vacant position, the application requirements, and the deadline to apply. Vacant positions shall be filled based upon the recommendation of the Department Heads with the approval of the Town Manager.

POLICY NO. 2.05: NEPOTISM

Employment may be restricted when an applicant or current employee is related by blood (consanguinity) or marriage (affinity) to another Town employee or official, as follows:

- An individual related to a member of Town Council or the Town Manager by third degree consanguinity or second degree affinity may not be employed or appointed to any position with the Town.
- An individual related to a Department Head by third degree consanguinity or second degree affinity may not hold a position in the same department.
- An individual related to an existing Town employee by third degree consanguinity or second degree affinity may not be placed in a position of direct supervision.

Relatives employed as of the effective date of this rule are exempt from it. If an employee becomes a relative of another employee that would fall under this policy, one of the employees must transfer to another area, resign, or face termination of employment.

Only the Town Manager may waive provisions of this policy when it is in the best interest of the Town.

POLICY NO. 2.06: ANTI-FRATERNIZATION

An individual shall not be appointed to a position if the appointment would create a close working relationship with another employee within the department or functional area that could affect the health, safety, or welfare of the employees, the efficient departmental operations, or the best interests of the organization. A supervisor-subordinate relationship is prohibited between two employees who are married, cohabitating, or involved in a sexual or intimate relationship.

POLICY NO. 2.07: TOWN PROPERTY AND EQUIPMENT USE

The professionalism of Town staff is often judged by outward appearances. For that reason, even minor damages to vehicles and equipment need to be reported and repaired as quickly as possible.

The Town provides employees with adequate tools, equipment, and facilities for the Town job being performed, and the Town requires all employees to observe safe work practices and lawful, careful and courteous operation of vehicles and equipment. Any Town-provided safety equipment must be used at all times.

From time to time, the Town may issue equipment or other property to employees, e.g., credit cards, keys, tools, security passes, manuals, written materials, telephone cards, uniforms, mobile telephones, computers, and computer-related equipment. Employees are responsible for items formally issued to them by the Town, as well as for items otherwise in their possession or control or used by them in the performance of their duties. At the time of issuance, employees may be required to sign certain forms or other documentation evidencing their receipt of property and/or equipment and authorizing a payroll deduction for the cost of lost, damaged, or unreturned items due to negligence. In addition to payroll deductions, the Town may take any other action it deems appropriate or necessary to recover and/or protect its property, as determined by the Department Head. Any damage to Town property is to be verbally reported immediately to the employee's supervisor. The employee is responsible for insuring a written report is filed with his/her Department Head and the Human Resources Department no later than the next business day. Timely reporting of damages will be taken into account in the determination of any consequences.

Employees must notify their supervisor immediately if any vehicle, equipment, machine, tool, etc. appears to be damaged or defective, or is in need of repair. The Department Head or his/her designee can answer questions about an employee's responsibility for maintenance and care of equipment used on the job. The improper, negligent, or unsafe use or operation of equipment may result in disciplinary action, up to and including termination of employment.

Personal Use Prohibited. Town property, materials, supplies, tools, equipment, or vehicles may not be removed from the premises or used for personal purposes without prior written approval by an employee's Department Head or the Town Manager.

POLICY NO. 2.08: USE OF TOWN VEHICLES OR USE OF PERSONAL VEHICLES FOR TOWN PURPOSES

Town-owned or leased vehicles may only be used for official Town business. Town-owned or leased vehicles may be driven only by authorized Town employees. If an employee drives his/her own vehicle, a Town-owned vehicle, or a rented or leased vehicle on the job or while carrying out Town-related business, the employee must comply with the following:

- Operate a vehicle in a manner which will reflect positively on the Town; employees shall not drive in a reckless manner, even on emergency calls. Employees should always observe posted laws and speed limits or department established guidelines.

- Drivers must have a valid State of Texas driver's license on file with the Human Resources Department that is appropriate for the vehicle operated. Drivers must maintain a satisfactory driving record, maintain personal automobile insurance as required by the State of Texas, and inform their supervisor of any change in status.
- Have no conviction for driving while intoxicated (DWI) or driving while under the influence (DUI) for the past ten years.
- Have no outstanding criminal charge where their driver's license has been suspended or revoked.
- Report any citation issued while driving a Town vehicle or a personal vehicle used in the course of Town business to the Human Resources Department within three business days.
- Seat belt use or other restraint devices is required for all vehicle occupants when the vehicle is in operation.
- No driver will read, type, or send text messages while vehicle is in operation except public safety personnel in the course of their duty.
- No driver will make use of a telephone unless calls are being made using a hands-free device except public safety personnel in the course of their duty.
- No passengers, other than Town employees or others on Town business, may ride in a Town vehicle unless otherwise approved in advance by the employee's Department Head or designee.
- No personal use of Town-provided vehicles is allowed without the prior, specific approval of the Department Head.
- All maintenance and use records for Town vehicles must be completed as directed by the employee's supervisor. Privately owned vehicles will not use Town gasoline, oil or be afforded any maintenance by the Town.
- Report any broken, missing, or worn parts, tires, etc., or any needed maintenance of Town vehicles to the appropriate supervisor immediately.
- All drivers must keep a copy of proof of the Town's liability coverage in the vehicle.
- At no time may an employee have any detectable amount of alcohol, legal or illegal drugs drive a Town vehicle or a personal vehicle while conducting Town business.
- Privately owned motor vehicles may be used for Town business only after authorization has been approved. Upon approval by the Town Manager, employees driving their privately owned vehicles will receive an auto allowance at the per mile rate established by the Town. Only employees who are authorized will be eligible for mileage reimbursement. Only authorized employees who have documented mileage will be reimbursed for miles used. Fraudulent claim of miles used is considered a serious offense and is subject to disciplinary action, up to and including termination of employment. Employees covered by this section who lose their state-mandated auto liability insurance are required to notify Human Resources Department within ten days of loss of coverage.
- All employees are required to report the suspension or revocation of their driver's license within three business days.
- Use of tobacco products and/or electronic cigarettes shall be prohibited in Town vehicles.

The Town may, at any time, check the driving record of a Town employee who drives as part of their duties to determine that they maintain the minimum qualifications for their job. Employees must cooperate in giving the Town any authorization is required for this purpose.

The above is not a complete and exhaustive list of vehicle use policies as each department has their own vehicle use policies. Violations of any of the specific items listed, as well as the improper, careless, negligent, destructive, or unsafe use or operation of a vehicle, may result in disciplinary action, up to and including termination of employment.

POLICY NO. 2.09: SPECIAL TAKE HOME VEHICLE PROVISIONS

Certain Town-owned vehicles may be provided to employees to commute to and from work. Unless responding to Town business, these vehicles will only be used for commuting or very limited personal use, such as a stop for a personal errand on the way home. The use of Town vehicles is not intended for family or friends. Employees who commute in Town vehicles will have added to their gross income each year an amount equal to the commuting value as established by IRS regulations unless said vehicle meets certain IRS exemption criteria.

Authorized employees may drive Town vehicles home only when certain criteria are met and take home privileges have been pre-approved by the Department Head and granted by the Town Manager. Written approvals must be on file with the Human Resources Department. The maximum commute to the Town must not exceed 30 minutes. Take home privileges may be authorized only when the following conditions are met:

- Employee is subject to frequent emergency call back during non-duty hours;
- Employee requires tools or special equipment on such call back assignments;
- Nature of employee's duties would pose a threat to life or property if, when called out after hours, the employee were required to report to his/her regular work station to obtain a Town vehicle; and
- A public relations benefit would result by increased visibility of the Town's vehicle.

POLICY NO. 2.10: VEHICLE ACCIDENT POLICY

All accidents of any nature, regardless of the amount of damage or location, are to be reported immediately to the employee's supervisor or Department Head. All accident reports, along with any law enforcement report, must be filed by the employee and his supervisor with the Department Head and the Human Resources Department within one business day of incident.

Employees involved in a major accident (meaning reported medical injuries or estimated damages exceeding \$1,500 as determined by the on scene supervisor) while operating a Town vehicle or mobile equipment, or while operating a personal vehicle on Town business, must immediately notify their immediate supervisor as well as the proper law enforcement agency. Said supervisor shall also notify their Department Head and the Human Resources Director.

All vehicular accidents involving Town vehicles responding to an emergency or major accident involving reported injuries will be investigated by the Texas Department of Public Safety (DPS) Highway Patrol. If DPS is not available, then a neighboring law enforcement agency will

investigate.

Minor accidents (meaning no reported medical injury or estimated damages less than \$1,500 as determined by the on scene supervisor) involving Town vehicles, mobile equipment or a personal vehicle on Town business, should be investigated by the law enforcement agency with primary jurisdiction.

An employee involved in any accident of a Town vehicle, mobile equipment, or a personal vehicle on Town business may be subject to drug and alcohol testing. The need for testing will be determined by the Department Head or onsite supervisor in coordination with the Human Resources Director and in accordance with Policy.

Employees who violate this policy or become involved in any accident will be subject to disciplinary action, up to and including termination, if, upon investigation it is determined that the employee is responsible for such action, or through careless or reckless actions, their action contributed to the cause of the accident.

POLICY NO. 2.11: TO ENCOURAGE FUEL SAVINGS

This policy applies to all Town mobile equipment and vehicles:

- Vehicles and equipment should not idle stationary unless the vehicle is operating computers, safety/emergency lighting and cameras as a part of the essential job function.
- Vehicle manufactures recommended tire pressure should be kept in all vehicles and checked monthly.
- Remove excess weight from vehicles whenever possible.
- Do not exceed the posted speed limit except for public safety emergencies.
- Attempt to schedule work activity to reduce driving time if applicable to the job assignment.
- Ensure vehicle is properly maintained according to manufacturer's maintenance schedule.
- Attendees to the same training conference/school should carpool, unless approved by Department Head. Use of Town-owned vehicle for travel is preferred to the use of a personal vehicle. Reimbursement for personal vehicle use will not be made if a departmental vehicle or a car pool option is available.
- When new and replacement vehicles are being considered for purchase, strong consideration must be given to fuel economy. Vehicles with higher MPG rating should be given preference. Exceptions must be approved by the Fleet Manager.
- Vehicle use should be well organized so that unnecessary trips are avoided and vehicle wear and tear is minimized.
- Ride sharing and/or carpooling should be practiced when several employees have the same destination.
- Use of Town vehicles is restricted to Town business travel or other use as authorized by the Town Manager.

POLICY NO. 2.12: TRAVEL POLICY

The Town of Little Elm will pay reasonable expenses that are incurred in the course of authorized Town travel. The Town has two objectives when paying travel-related expenses: to provide employees sufficient funds to execute business on behalf of the Town and to safeguard Town funds by paying only reasonable and necessary expenses.

These policies are applicable to all travel by Town employees and other officials of the Town while conducting Town business or attending approved training programs outside of the Town of Little Elm. Employees should receive Department Head approval prior to any travel arrangements being made. Only that travel which has been approved in the annual Town budget is authorized for approval. Travel not authorized in the budget requires Town Manager approval.

Department Heads are ultimately responsible for insuring that travel expenditures comply with this policy and for the thorough review and approval of all documents necessary for the travel transaction. Department Heads have the discretion to implement more restrictive procedures and/or guidelines for their individual departments. The purpose of the required documentation is to provide sufficient evidence to anyone, who reviews the travel transaction, that public funds were expended in compliance with this directive.

Calculation of Worked Hours. Attendance at lectures, meetings, training programs and similar activities need not to be counted as working time only if all of the following four criteria are met:

- 1) Attendance is outside of the employee's regular working hours;
- 2) Attendance is in fact voluntary;
- 3) The course, lecture, or meeting is not directly related to the employee's job; and
- 4) The employee does not perform any productive work during such attendance.

For local travel (for the purposes of this policy "local" means the DFW metroplex, see Lodging Policy, p. 23) to a training facility, and the employee is required to come to the employee's workplace before going to training, the time traveled from an employee's workplace to the training facility and back will be counted as working time and is compensable. If an employee travels directly from home to the training location, generally that travel time will be non-compensable, as that travel serves as the employee's commute. For out of town travel (see Lodging Policy) that occurs in one day, an employee will be paid for all travel time. For overnight out of town travel, the employee will be paid for travel time if he/she travels during their regular working hours, regardless of the day of the week. If the employee travels outside his/her regular work hours, then the travel time is not compensable/does not count as time worked. If however, the employee is driving and/or engaging in productive work, he/she will be paid for travel time. Department Heads may adjust an employee's shift hours during the time the employee is away so as to minimize disruption to Town services and/or overtime. Employees are encouraged to contact their supervisor and/or Department Head should they have any questions regarding training, travel and compensability of training or travel time. Any request for additional pay must be approved by the Town Manager.

Transportation. The Department Head will be expected to select the mode of transportation that

is the most economical to the Town considering cost and time consumed. Town vehicles will be utilized when feasible. Public transportation will be used in those cases where it is most economical when considering travel time and other factors. When renting a vehicle, a small or midsize vehicle should be rented depending on the number of employees traveling. Upgrades to a rental car or additional accessories will not be chargeable to the Town and the employee will be responsible for the difference. When using air transportation employees are expected to book the most cost effective flight and travel in the coach section. Any upgrades to seating will be a direct cost of the employee and not an expense of the Town. An employee will select the most economical transportation alternative. After evaluating all cost scenarios of the employee's travel arrangements and time consumed, if it is cheaper to utilize air transportation than to drive, then the employee should do so. Transportation will not be reimbursed for personal excursions while traveling. If an employee chooses the more expensive option, he/she is expected to cover the cost increase of their transportation.

When an employee uses their personal vehicle, he/she shall be reimbursed for mileage at the rate currently allowed by the IRS. Employees submitting for mileage reimbursement are not permitted to charge fuel on the purchasing card or request reimbursement for fuel. Mileage reimbursement will be made according to the distance between the employee's work location in the Town of Little Elm and the particular destination based on the website Google Maps or comparable, unless travel from the employee's home to the destination is a lesser distance. Reimbursement for actual miles driven as indicated by a vehicles odometer may be made if such mileage does not exceed the total distance indicated on Google Maps by more than five percent. Town Employees receiving a car allowance are eligible for mileage reimbursement for destinations beyond 50 miles away from their work location in Little Elm. A deduction of 50 miles departing and returning (100 total) must be made from any mileage reimbursement request made by employees who receive a car allowance.

Meals. It is important for employees to recognize that not all meals related to travel and training are reimbursable by the Town or may be placed on your purchasing card. Travel meals are itemized into four categories to include: Overnight Travel (requires sleep or rest at lodging), Day Meal Travel (no overnight stay in lodging), Business Meal, and Group Meal.

Overnight Travel. In accordance with IRS rules, the per diem meals allowance for overnight trips will follow the rates shown on the U.S. General Services Administration website for the Town for which you are traveling. The website is <http://www.gsa.gov/portal/category/26429>

The Town does not reimburse meals for overnight travel at actual cost. Only the per diem rate will be reimbursed. Therefore, do not attach meal receipts to your travel expense reports. Per Diem meal funds may be requested in advance of travel or reimbursed after the travel has taken place. The first and last day of your overnight travel per diem will be calculated at 75% as required by the IRS. Also any meals included as part of your conference or training must be deducted from your per diem request. The GSA per diem includes meals and incidental expenses.

To request the per diem in advance of travel departure, the necessary documentation which includes a print out of the GSA report identifying the per diem meals amount. Also include a copy of the employee's registration (showing the employee's name, conference name, date and location) and conference agenda must be provided to Accounts Payable at least two weeks prior

to departure. No receipts are required with a per diem allowance, but the payments must meet the other substantiation requirements including time (date), place, and business purpose. Only business meals or group meals not related to overnight travel may be charged to a Town issued purchasing card after receiving required pre-approval.

Day Meal Travel. For meals that are taken away from home for “day-trips” (i.e., trips that do not involve/require an overnight stay, whether in-State or Out-of-State), the Town will not reimburse employees and a purchasing card should never be utilized. Compensation for such meals are considered, by the Federal Government, to be taxable income to the employee. It is the responsibility of the employee to provide for his/her own meal if attending training that does not require an overnight stay.

Business Meal/ Entertainment. Business meals are for executive level employees or their designees to conduct official business with an outside business representative. Business meals are not applicable to a group of employees going out to eat. To be a reimbursable “Business Meal”, the meal must be one that is:

- 1) ‘Non-routine’ in nature,
- 2) Is entertainment that has a clear business objective which will benefit the Town, or
- 3) Involves a client, official or customer and an executive level employee or their designee.

In addition, to be a reimbursable “Business Meal” the meal must fall within one of the following tests:

- 1) Directly-Related Test: The meal must satisfy all of the following:
 - a. The main purpose of the combined business and meal is active conduct of business.
 - b. Business is actually conducted during the meal period, and
 - c. There is more than a general expectation of deriving income to the Town, lowering Town expenses, or some other specific Town benefit at some future time.
- 2) Associated Test: The meal must satisfy all of the following:
 - a. Associated with the active conduct of the Town’s business, and
 - b. Directly before or after a substantial business discussion.

Expenses that are lavish or extravagant under the circumstances are not allowed. The IRS identifies online what entertainment expenses are not deductible. An employee must consider all the facts, including the nature of the business transacted and the reasons for conducting business during the entertainment. It is not necessary to devote more time to business than to entertainment. However, if the business discussion is only incidental to the entertainment, the entertainment expenses do not meet the directly-related test.

Approved Business Meal expenses, including the expenses of non-employees at the meal, will be reimbursed, provided the circumstances are considered to be conducive to a business purpose, and the meal meets all of the criteria stated. The Town will not reimburse expenses for alcoholic beverages. A “Business Meal” form will need to be completed and an employee will need to provide a detailed receipt, names of all individuals in attendance, identify the various business relationships involved, and a summary of business discussed. The documentation is requested to

insure that the Town meets the requirements established by the IRS. Absence of documentation will lead to the expense being denied and the employee will be responsible for the charges.

Group Meals. In order to be reimbursable, Group Meals are considered to be occasional, infrequent and non-routine meals that are provided to a group of employees, such as employee picnics or retirement parties, and are considered by the IRS to be a non-taxable de-minimis fringe benefit. Group meals may also include such things as occasional provision of coffee, donuts, or soft drinks or a meal that is provided to promote good will, boost morale, or to attract prospective employees to the Town.

To be a reimbursable expense or charged on a purchasing card, the costs related to Group Meals must be approved by a Department Head. A separate document will be required in processing “Group Meals” in the Finance Department to meet IRS requirements. Group Meals should never occur during overnight travel as per diem per employee has been provided. An employee will need to provide a detailed receipt, names of all individuals in attendance, and a reason for the group meal.

The only meals allowed on a purchasing card is a Group Meal or Business Meal. No other meals, snacks or drinks are allowed on your purchasing card. The Town will not reimburse expenses for alcoholic beverages.

Lodging. The Town will pay for lodging only for travel outside of the Dallas/Fort Worth area and only if approved by the Town Manager. The Dallas/ Fort Worth area consists of locations within a 60 mile radius of the Town unless there is a bona-fide business activity that is expected to extend beyond 7:00 p.m. Employees are expected to commute to locations within Dallas/Fort Worth area. Employees will book a single or double occupancy room at the best rate available. A room upgrades to a suite and/or additional requests which add to room expense are expenses that are not reimbursed by the Town and are paid by the employee. Employees will take advantage of government, seminar, or group rates whenever possible. Extra charges for room services will not be paid by the Town as employees will receive a per diem for meals. An itemized hotel receipt must be provided, including an itemization for any room charges to be paid on the Town’s purchasing card or reimbursed by the Town. The Town does not provide per diem for lodging, only meals.

Other Fees Allowed. Registration fees are reimbursable and should be paid with the employee’s purchasing card. Computer related expenses will be reimbursable if within reason and hotspot capability is not available on cellphone. Charges for parking, car rental, taxis/ride-sharing services, checked luggage, and other miscellaneous travel or airline expenses will be allowed for reimbursement if reasonable. All charges must be supported by receipts to receive reimbursement or document the expense on your purchasing card.

Spouse/Family. Any additional cost incurred by the Town for a spouse or family to join an employee on overnight travel is the responsibility of the employee. An employee may use their own personal credit card for travel reimbursement for hotel and transportation. All receipts and documentation are still required for reimbursement. It is the employee’s responsibility to submit for reimbursement of expenses timely and the Town will not reimburse employee for any interest or credit card fees.

Non-Allowable Expenses. Expenses or charges for the following will normally not be reimbursed and must be paid by the employee:

- In-hotel pay television/ movies/ games;
- Upgrade from coach on airline flight;
- Dry cleaning and laundry;
- Expenses of a spouse or family;
- Alcoholic beverages;
- Fuel in a privately owned vehicle;
- Personal vehicle maintenance or repair;
- Personal long distance telephone calls;
- Other items of personal nature;
- Rental car upgrades; and
- Hotel room upgrades.

Miscellaneous. Any purchasing card charges on the Town's credit card, or if an employee chooses to use their personal credit card for travel, requires a copy of the employee's registration (showing the employee's name and the conference name, date, and location) to be attached in addition to detailed receipts for each expenditure. Additionally, registration should be provided when requesting the per diem meal allowance.

Purchasing cards can be used for travel and other expenses that are typically paid by the Town, except travel related meals. Personal expenses are not to be placed on a Town purchasing card.

POLICY NO. 2.13: PERSONAL CELL PHONES AND OTHER ELECTRONIC DEVICES BROUGHT INTO THE WORKPLACE

The Town recognizes that many employees have personal cell phones and other related electronic devices that they bring to work. The use of cell phones and related electronic devices at work must not interfere with job duties or performance. Employees must not allow the use of these devices to become disruptive or interfere with their own or a coworker's ability to do their jobs. Employees who use these devices in violation of Town policy, including the Inappropriate Conduct/Sexual and Other Unlawful Harassment Policy, will be subject to disciplinary action, up to and including termination of employment. Employees may not take pictures of persons or documents and/or record conversations with other employees on their personal electronic devices unless such action is authorized by an appropriate supervisor.

POLICY NO. 2.14: USE OF WIRELESS COMMUNICATIONS DEVICES

The Town of Little Elm intends to provide wireless communication devices in a manner most cost effective to the Town to designated employees in order to improve productivity, enhance customer service to our citizens and customers, and to enhance public safety services. The Town of Little Elm finds it necessary and in furtherance of the effective and efficient administration of the public's business to require a Town-owned cellular phone with voice and data functionality to all Department Head positions. In addition, the Town may provide a cellular phone with voice, or with voice and data to those employees required to be available at all times and if necessary and critical to the operations of the department as determined by the Department Head.

Employees with Town-issued wireless communication devices are allowed to use the devices for infrequent, minimal personal use; however, a payroll deduction may be made for all personal use if required by IRS income tax withholding regulations.

Employees who are assigned the use of Town-owned wireless device are responsible for the following:

- Insuring the physical security of such devices;
- Insuring that all communications on such devices are kept to the briefest duration possible;
- Insuring that any personal use does not detract from the employee's availability for completion of assigned duties; and
- Not using the device during the operation of any equipment or motor vehicle.

The Town of Little Elm maintains the right of access and the right to disclose any and all messages communicated through electronic means when Town-owned equipment is used. Regardless of the intent of the message (business or personal), an employee has no right to privacy, or to the expectation of privacy concerning the content of any message or the intended destination of any message on Town-owned equipment.

On a case-by-case basis and dependent upon the needs of the organization as determined solely by the Town Manager, employees who are eligible to receive a Town-owned phone may petition to use their personal phone for Town business. Employees authorized to use this option will receive a monthly stipend not to exceed the dollar amount the Town would pay for a cellular phone had the employee been issued a Town-owned phone.

If an employee uses a personal phone or device for Town related business, that phone or device may be subject to search and disclosure under the Public Information Act of the State of Texas.

Non-exempt Town employees shall not engage in work related calls or texts, or access Town of Little Elm files or email through any wireless communication device outside of regular working hours unless authorized by a supervisor.

Decisions regarding the use of Town wireless communication devices, which are not explicitly stated herein, shall be left to the discretion of the Town Manager or his or her designee.

POLICY NO. 2.15: ELECTRONIC COMMUNICATIONS AND SYSTEMS ACCESS USE

The electronic communications and systems access use policy defines conditions for the authorized use of information technology and associated electronic information devices, including, but not necessarily limited to, the following:

- Email (electronic mail)
- Internet use
- Telephone and voicemail
- Video conferencing
- Desktop computers
- Laptop computers

- Cellular phones
- Personal Digital Assistant (PDA)
- Fax
- Storage media
- Television
- Electronic documents
- Copy Machines
- Any other forms of electronic communication

Town employees, contractors, or vendors with access to Town of Little Elm electronic communications are required to abide by this policy while using the Town's data and telecommunications infrastructure. All references to Town employees throughout this document shall also apply to all contractors, vendors, and other non-Town employees who have been granted access to Town-owned electronic communications. All Town employees, contractors, or vendors using the Town's data and telecommunications infrastructure must sign the acknowledgment online through the Town's training portal. These are considered minimum guidelines. Department heads may develop stricter policies for their department.

General Principles. Electronic communications services are provided by the Town to support open communications and research through the exchange of information and to provide the opportunity for collaborative government-related work. The Town encourages the use of electronic communications by its agencies and employees.

The Town's electronic communication systems are the property of the Town and are intended for use in carrying out government business. The Town retains all property rights in any matter created, received, or sent via the Town's electronic communications systems and such matter is not the property of the employees. The contents of any electronic communication may be disclosed to authorized individuals within the organization without the permission of the sender or recipient. Employees should have no expectation of privacy in any matter created, received, or sent using the Town's electronic communications systems. Employees must not assume that communications or messages of any type are confidential because a private password is used. The use of passwords to gain access to the electronic communications systems is for the protection of the Town, not employees. The appropriate Town staff must have access to the entire network.

Electronic communications are "public records" under Government Code section GR1000-26b (part of the Retention Schedule for Records Common to all Local Governments) that provides essentially that even though records are in electronic format they are still subject to review and inspection by the public. Electronic communications are "public information" subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

Although access to information and information technology is essential to the missions of government agencies and their employees, use of electronic communications services is a revocable privilege. Conformance with acceptable use, as expressed in this policy statement, is required. All Town departments are expected to maintain and enforce this policy.

Applicability. All Town employees shall be covered by this policy. Contractors and other non-Town employees may be granted access to Town-provided electronic communications services

at the discretion of the contracting authority. Acceptable use by contractors and other non-Town employees working for the Town is the responsibility of each department's contract monitor. The contract monitor is expected to provide contractors who use Town electronic communications services with this information.

Scope. This policy applies to all electronic and telephonic communications systems and all communications and information transmitted by, received from, or stored in these systems. These systems are the property of the Town, and as such, are to be used primarily for job-related communications.

While in the performance of work-related functions, while on the job, or while using publicly owned or publicly provided information processing resources, employees are expected to use those resources identified above responsibly and professionally and shall make no intentional use of those resources for any unlawful purpose.

Employees may make reasonable personal use of publicly owned or provided resources as long as:

- There is no or negligible cost to the Town or public;
- There is no negative impact on employee performance of public duties;
- Employees shall reimburse the Town if any costs are incurred; and
- No other provision in this Usage Policy is violated, including that which prohibits intentional use of resources for an unlawful purpose.

All Town rules, regulations, and guidelines, as they presently exist and as they may be amended in the future, on ethical and appropriate behavior of Town employees and the appropriate use of Town resources apply to the use of all electronic communications.

Enforcement. Department Heads or their designated representatives are responsible for disseminating and enforcing their employees' compliance with the provisions of this policy and for investigating non-compliance. When an instance of non-compliance with this policy is discovered or suspected, the Town shall proceed in accordance with departmental and Town personnel policies.

Employee's privileges may be revoked when deemed necessary to maintain the operations and integrity of the Town's information systems. User access, accounts, passwords, software and hardware may be withdrawn without notice if an employee is suspected of violating this Electronic Communications Usage Policy. Employee discipline may be appropriate in cases of non-compliance with this policy. Criminal or civil action against employees may be appropriate where laws or rights are violated.

Employees need to know that any electronic media communication may be considered a public record subject to disclosure under Texas law.

Acceptable Uses:

- Communication and information exchange directly related to the mission or work tasks of the Town or department.

- Communication and exchange for professional development, to maintain currency of training or education, or to discuss issues related to the employee's department activities.
- Applying for or administering grants or contracts for Town research or programs.
- Advisory, standards, research, analysis, and professional society activities related to the Town governmental work tasks and duties.
- Announcement of new laws, procedures, policies, rules, services, programs, information, or activities.

Prohibited Uses. Electronic media and communications shall not be used in any manner in violation of the law or Town rules, policies or procedures. Electronic media and communications shall in no manner be used for any improper, illegal, offensive or harassing purpose. Activities prohibited by this policy include, but are not necessarily limited to the following:

- Accessing or sending of any material or communication in violation of any federal, state, or local law, ordinance, or regulation.
- Accessing or sending of any material or communication which includes potentially offensive material (such as pornography, or sexual, racial, or ethnic comments, jokes or slurs).
- Accessing or sending any material of a political nature is prohibited. Employees may not use Town time and equipment to either support or oppose campaigns or candidates for elected offices. Messages of a religious nature or promoting or opposing religious beliefs will not be allowed.
- Using email to send information that needs to be communicated individually to every Town employee (several employees do not have access to a computer on a regular basis), or if a quick response is needed. Many employees may not or cannot check their electronic mail on a frequent basis. When establishing or changing a policy, formal policies should be announced via a memo instead of email.
- Misrepresentation under any circumstances of an employee's true identity.
- Unauthorized access to any computer system.
- Any action intended to accomplish or assist in unauthorized access to computer systems.
- Unauthorized or improper downloading, accessing, or sending of copyrighted information, documents, or software.
- Town employees are prohibited from developing and running personal websites on Town electronic communications equipment or on or through any Town contracted ISP services.
- Use of Town's electronic communications equipment or network for private business purposes, including non-profit, charitable, and for-profit businesses.
- Use of Town electronic communications equipment or network for any purpose related to gambling.
- Purchases through the Town's electronic communications networks. Employees shall not use the Town's access to purchase, obtain, or offer products or information for Town purchases without prior approval through normal Town purchasing procedures.
- Sending of unauthorized broadcast communications or solicitations (such as a Town-wide email). The Department Head or their designated representative must approve all Town-wide broadcast or solicitation messages in advance.
- Any action that causes the Town to incur a fee for which there has not been prior approval.

- Use of a security code or password other than as authorized.
- Disclosing a username and password to anyone for any purpose.
- Sending confidential communications via email. Common sense should be employed if a communication must be kept confidential. Information dealing with personnel issues may lose confidentiality due to its electronic transmission. It is recommended that confidential or other sensitive materials not be transmitted electronically.
- Streaming audio, video and data. Electronic communications networks are a shared resource.
- Also prohibited are any stock market, weather, sport, or other types of streaming data tickers. The Department Head or their designated representative must approve all uses of streaming audio, video, and data in advance.
- Employees may not use any non-Town website which requires the acceptance of any contractual terms and conditions as a condition to use that website without prior Department Head and/or Town Council approval.

Notice of Town's Rights. Employees need to be aware that deleting electronic communications – e.g., deleting an email message from their mailbox or voicemail – does not necessarily mean that they are permanently deleted from the system. In the case of email and voicemail messages, these messages may be saved by the Town and employees should have no expectation of privacy in any electronic media communications. Employees should further be advised that the Town maintains a record of all telephone usage regarding all incoming/outgoing telephone calls including the date/time of the call, duration of the call, and the incoming and outgoing phone numbers. This usage information is subject to public disclosure under the Public Information Act and/or subpoena by the Courts.

All electronic media communications are considered at all times to be Town records. The Town has the capability to access, monitor, review, and copy or disclose any electronic media communications, and the Town reserves the right to do so for any proper Town purpose. The use of security measures (such as individual passwords) or deletion of electronic media communications (such as deletion of emails by employees) does not affect the Town's ability or right to access, review, copy or disclose such communications under appropriate circumstances. Employees' use of electronic media is consent to such action by the Town.

This policy shall not be interpreted to limit the Town's access to electronic media communications under appropriate circumstances and shall not in any way limit the Town's control or ownership of its electronic media systems. Further, this policy is in no way intended to permit unauthorized access to electronic media communications.

Software. Employees shall use only legally acquired and licensed software distributed by the department. The Software Licensing and Use Policy key provisions are summarized below:

- Only properly licensed and/or registered software will be loaded on Town-owned computers.
- Software acquired at Town expense shall not be copied onto any non-Town computer unless specifically authorized by the license agreement.
- Departments shall establish a permanent file that documents the right to use each copy of the software loaded on a Town computer.

- Departments shall audit their computers at least annually to ensure compliance with all licensing requirements.

Downloading software is prohibited without prior approval by the IT department or their designated representative.

Loading any program or data from diskette, CD, tape or other portable media into a Town-owned computer or other device when such media has not been scanned by anti-virus software is prohibited.

Employees must get the approval of the IT department or their designated representative prior to loading Town-owned software with home use options on home computers and must abide by this policy while using them.

Email. Emails generally fall within the following categories:

- Administrative Emails – These are emails that contain information relating to the conduct of the Town’s business and can be either transitory in nature or more permanent.
- Transitory Emails – These are emails that have limited or transitory value to the Town, and are created primarily for the informal communication of information. Transitory emails would include, but would not be limited to, emails announcing the date and time of a meeting, casual and routine communications, and announcements similar to telephone conversations, notes, interagency or intra-agency memoranda, and preliminary drafts which are not directly related to any non-transitory communications indicated below.
- Non-Transitory Emails – These are emails that are more formal in nature and have lasting value to the Town. Examples:
 - Emails of a policy or decision making nature
 - Emails connected to specific case files
 - Emails that are contract related
 - Other emails that are an essential part of a larger record or other memorandum of significant public business. As such, these emails are similar to printed communications and should be written, transmitted, and stored with the same care and are subject to the Town’s Record Retention Ordinance.
- Non-Business Emails – These are emails that do not contain information relating to the conduct of the Town’s business. These emails include unofficial, personal messages.

Retention Requirements. The category of the email message determines the retention requirement:

Category	Retention Requirement
Non Transitory- Administrative	4 years (pg. 11 of the Local Schedule GR/Record No. GR1000-26a) BUT if it is a legal opinion from the Town Attorney or other document that merits permanent retention, it should be kept permanently

Transitory – General	2 years (pg. 11 of the Local Schedule GR/Record No. GR1000-26b)
Non-Business	AV, as along as administratively valuable (pg. 11 of the Local Schedule GR/Record No. GR1000-26c)

Additional Email Guidelines. The responsibility for compliance with this policy lies with each Town employee. It is the responsibility of Departmental management to develop internal procedures consistent with this policy to insure compliance.

Employees need to know that even when they delete an email or voicemail from their mailbox (and empty it from their Outlook Trash or equivalent), it may continue to exist in backup or archival storage devices or in the mailboxes of other recipients or addressees.

If an employee sets up a vacation rule that generates an automatic reply to incoming emails, the reply option should always be “reply to sender”, not “reply to all.” The “reply to all” option can cause problems if the original email was sent to a large group of people. The rule should be set up to reply only to messages where the “From” field does not contain an “@” symbol (so that the rule will NOT reply to messages originating outside of the Town.) The reason for this setting is that if the Original email was sent from an automated system, the vacation rule reply will sometimes trigger it to resend the original message each time it gets a reply, causing a loop that can flood the mailbox with messages and overburden the Town’s email infrastructure.

Employees shall only access email accounts through systems set up by the Town. Employees shall not access hotmail.com and similar email accounts via an Internet connection over the Wide Area Network (WAN). It has been detected that these types of email accounts bypass the Town security network and make the town WAN vulnerable to viruses.

Additional Guidelines. Logoff (Exiting). Always make a reasonable attempt to complete the logoff or other termination procedure when finished using any system such as the Internet, Outlook, etc.

Large File Transfers and Network Capacity. Electronic communications networks are a shared resource. While routine electronic mail and file transfer activities won’t significantly affect other users, large file transfers will impact the service levels of other users. Employees contemplating file transfers over 10 megabytes per transfer should schedule these activities before or after regular business hours.

Certain electronic media (especially email) may not be appropriate to transmit sensitive materials, which may be more appropriately communicated by written document or personal conversation.

Employees should always remember that persons other than the sender and the recipient may read electronic media communications at a later date. Accordingly, electronic media communications (such as email messages) should always be treated as written memos, which may remain on file in various locations.

Requests for Electronic Data. Requests to produce copies of or provide access to non-routine information from electronic communication systems shall immediately be forwarded to the appropriate Department Head. Upon review, the Department Head can determine if the Town Secretary should be contacted and the request should be handled in accordance with the Town's Public Information Act procedures.

Written Acknowledgment. Department Heads shall have all employees acknowledge that they have received and read this policy online through the Town's training portal. Such written acknowledgment shall be retained in department files. (Nevertheless, the failure to provide such written acknowledgment shall not in any way limit the Town's ability to enforce this policy.)

POLICY NO. 2.16: CONFIDENTIALITY OF EMPLOYEE MEDICAL INFORMATION

Federal law, including the ADA/ADAAA and HIPPA, requires that the Town maintain all employee medical information in separate, confidential files. Therefore, in addition to personnel files, the Town maintains a separate medical file for each employee. The Human Resources Department maintains these confidential medical files.

Examples of information that may be provided to the Town by an employee's health care provider, and maintained in the confidential medical file, include:

- a note to justify a medically-related absence;
- a note to request leave for medical purposes;
- a note to verify the employee's ability to return to work;
- a note to verify the employee's completion of a wellness program related activity;
- medical records to support a claim for sick pay or disability benefits;
- insurance records; and
- Workers' compensation records.

It is important that employees understand that the records are confidential, but that the confidentiality may be limited when certain medical disclosures are necessary, i.e., FMLA, ADA/ADAAA and worker's compensation. When an employee provides medical information to their supervisor, the supervisor shall disseminate the information to the Human Resources Department and only on "as needed" basis to other members of management. The Human Resources Department is the point of contact to receive medical information to ensure confidentiality is maintained.

In addition to protecting their own confidential medical information, employees must also respect the privacy and confidentiality of their coworkers' medical information as well as their coworkers' family medical information. Employees are required to use discretion and judgment when dealing with such information and are to refrain from passing along information, gossip, rumors, or anything else that may constitute an invasion of a coworker's privacy or breach of confidence. Employees should not speculate about medical conditions of other employees or their family members, and may not publicly discuss another person's medical information.

POLICY NO. 2.17: AMERICANS WITH DISABILITIES ACT/AMENDMENTS TO THE ACT

To ensure compliance with the Americans with Disabilities Act, the Town offers equal employment opportunity to qualified individuals and strictly prohibits discrimination against qualified individuals on the basis of disability.

The Town will provide a reasonable accommodation to the known physical or mental impairments of an otherwise qualified individual with a disability if such reasonable accommodation will enable the individual to perform the essential functions of the position at issue. The Town will not deny employment opportunities on the basis of the need to provide reasonable accommodation to the individual's physical or mental impairments, unless it would cause an undue hardship to the Town, or constitute a threat to the safety of the disabled person or other persons.

Generally, the individual with a disability must inform the Town that an accommodation is needed. The employee must make a request for accommodation in writing.

When the disability or the need for accommodation is **not** obvious, the Town may ask the individual for reasonable documentation about his/her disability and functional limitations.

In requesting documentation, the Town will specify what types of information it is seeking regarding the disability, its functional limitations, and the need for reasonable accommodation and will provide a copy of the job description for the position. The individual can be asked to sign a limited release allowing the employer to submit a list of specific questions to the health care or vocational professional.

Employees who have a complaint involving potential violations of the Americans with Disabilities Act, including but not limited to harassment, discrimination, or failure to provide a reasonable accommodation, must immediately report such complaint as outlined in the Town's Sexual and Other Unlawful Harassment Policy.

Service Animals. The Town prohibits employees bringing pets to work. However, if an employee has a disability and asserts the need for a service animal at work, the Town will engage in the interactive process, as it is required to do for all requested accommodations.

When evaluating a service animal accommodation request, the Town will seek documentation that the animal is required because of a disability and what work or task the service animal has been trained to perform. Further, the service animal, if allowed, must be under control, must not disrupt the workplace, and must not compromise legitimate safety requirements necessary for the safe operation of a Town facility.

POLICY NO. 2.18: OUTSIDE EMPLOYMENT

Town employees must recognize that the Town is their primary employer. Town employees may engage in outside or self-employment if they receive prior written approval from their Department Head and/or Town Manager. Said approval must be filed with the Human Resources Department on the forms provided by the Human Resources Department. For purposes of this policy, outside or

self-employment includes a job, activity, or enterprise (including self-employment) that constitutes a form of employment or business outside the responsibilities of employment with the Town.

Employees may not accept outside or self-employment that conflicts with the effective performance of the employee while on duty with the Town or conflicts in any way with the best interests of the Town. Town employees cannot contract with the Town for services.

An employee will not be covered by the Town's workers' compensation insurance while working for another employer or while self-employed except for law enforcement officers working within their official function. In addition, an employee on FMLA leave, sick leave, disability leave, workers' compensation leave, or an unpaid leave of absence, may not engage in outside or self-employment, as defined in this policy, unless expressly authorized in writing by the Town Manager.

POLICY NO. 2.19: MEDICAL EXAMINATIONS

The Town Manager, or Department Head with notice to the Town Manager, may require a person selected for initial appointment or reinstatement to undergo a medical (mental and/or physical) examination by one or more physicians designated by the Town and at the Town's expense. If a medical examination is required, employment will be contingent upon successful completion of the medical examination and determination by the Town that the person can perform the essential functions of the job with or without reasonable accommodation.

The Town Manager or Department Head, with notice to the Town Manager, may require an employee to undergo a medical examination by one or more physicians designated by the Town and at Town's expense, to decide the employee's fitness for continued employment, promotion, or other personnel action only if such examination is job-related and consistent with business necessity. The employee may be placed on administrative leave with pay pending the medical examination results. If an employee participates in a promotional process, but is deemed unable to perform the essential functions of the job on the effective date of the promotion, the employee will not receive the promotion.

The Town may require an employee to undergo a medical examination, assessment, or preventative screening in order to participate in aspects of the Town's Wellness Program.

POLICY NO. 2.20: RESTRICTED USE OF CONFIDENTIAL INFORMATION

There are a number of federal and state laws which regulate the handling of confidential and personal information of citizens, customers, and employees. Employees must maintain the confidentiality of all documents, credit card information, and personal information including social security numbers. Any use or distribution of confidential information for anything other than Town purposes is strictly prohibited and is cause for immediate dismissal. If an employee receives a written request for information, he or she must immediately forward such request to the Town Secretary, who will process Public Information Act requests under Chapter 552 of the Texas Government Code.

POLICY NO. 2.21: ISSUANCE OF CLOTHING ARTICLES AND UNIFORMS

The Town may provide articles of clothing and uniforms to certain employees during their employment with the Town. All shirts, jackets, and outerwear paid for by the Town shall have the Town logo or approved department logo. Upon termination of employment, all clothing articles must be returned to the Town prior to receipt of their final paycheck. The quantity of clothing provided is determined by the Department Head. Employees are personally responsible for all articles issued to them. Should clothing become lost, misplaced, or stolen, the employee will reimburse the Town for the cost of replacement articles. Failure to return clothing may cause the dollar amount of said clothing to be deducted from the employee's final paycheck.

Employees in Town uniforms or Town-issued attire are representatives of the organization. Any employee wearing a Town uniform or clothing identifying the Town of Little Elm shall not be involved in any conduct that would embarrass or shine a negative light on the Town of Little Elm. Uniforms and Town issued articles of clothing shall not be allowed to be worn outside of work or Town related functions.

Eligible field employees will receive an annual jean allowance of \$150 in a separate payroll check during the first payroll week in January. Any employee that starts after the annual distribution of funds will be eligible with Department Head approval to receive the full \$150 if their start date is January 1 thru June 30 and \$75 from July 1 to December 31. The Department Head must include this allowance on the employee's first change of pay form listed as one-time jean allowance for the current year.

Except as may be authorized by the Police or Fire Department Standard Operating Procedures policy, Town uniforms or Town issued attire may not be worn while engaged in other employment activity.

Employees may be subject to IRS benefit taxing requirements on uniforms issued by the Town.

POLICY NO. 2.22: EMPLOYEE IDENTIFICATION BADGES

All Town employees are issued an Employee Identification Badge with photo when they are hired. New employees receive their Employee Identification Badge during New Employee Orientation. Contractors who will be working on site as well as temporary, seasonal, and less than Part-Time employees will also be issued identification badges.

The Employee Identification Badge is Town property. It can only be used for identification purposes and for employee access to Town buildings. Access to secure locations must be approved by the Town Manager. The employee must wear the badge when engaged in Town business unless working conditions make wearing the badge hazardous or impractical. The Department Head must give approval for an employee to not wear the badge due to hazardous or impractical conditions.

Employees wearing a department-issued uniform are not required to wear an Employee Identification Badge, but must have the badge in their possession.

The employee must wear the badge in Town facilities and when dealing with the public. It must be worn so that the employee's name and photo are clearly visible. Old, faded, or damaged badges should be replaced as soon as possible.

If an employee loses their Identification Badge, the employee should immediately contact Human Resources so that the card can be deactivated, and then contact your Department Head to fill out a form to request a replacement badge.

When an employee's employment ends, the Department Head will retrieve the Employee Identification Badge and other Town property. If an employee terminates employment without notice, the Department Head will contact the Human Resource Director immediately to deactivate the Identification Badge. The Human Resources Director will attempt to contact the terminated employee to retrieve the Identification Badge and other Town property in the ex-employee's possession.

If repeatedly lost, an employee may be subject to a \$5 charge for each replacement badge.

POLICY NO. 2.23: YOUR PERSONAL PROPERTY

All employees shall be solely responsible for their personal belongings brought onto Town property, except for personal equipment required in the performance of their job. The Town assumes no liability for such items. Further, there may not be an entitlement to any right to privacy of those personal items brought on to Town property.

POLICY NO. 2.24: YOUR PERSONAL AFFAIRS

Employees should arrange their personal affairs to minimize interference with individual or group work performance. This includes personal phone calls and requests for absence from work the work place for personal, financial, medical, or other reasons.

POLICY NO. 2.25: HEALTH FITNESS AND WELLNESS

It shall be the continuing responsibility of each employee to maintain the standards of physical and mental health fitness required for performing his/her position. When the physical or mental health condition of an employee constitutes a hazard to persons or property or prevents the employee from effectively performing the assigned duties, the employee may be requested by the Department Head to submit to a health examination. Employees may also be required to submit to an examination provided through the Town's Employee Assistance Program and/or other providers qualified to determine an employee's fitness for duty, when requested by the Department Head and approved by the Human Resources Department. The employee will be paid for the time required for such examination which shall be conducted at no cost to the employee for the purpose of determining the employee's health conditions relative to Town employment, i.e., which are job-related and consistent with business necessity. Correction or treatment of conditions diagnosed during this examination shall be the responsibility of the employee. A Department Head may require an employee to take periodic special examinations that are job-related and consistent with business necessity to qualify for continued employment in his/her classification. The Department Head will not receive confidential medical information from the

examination and will only receive the evaluator's assessment that the employee is fit for duty. Such assistance may include identifying outside training opportunities and/or providing on-the-job training, whenever possible, to fulfill this commitment. This assistance will be conducted in compliance with procedures established by the Human Resources Department.

The Town of Little Elm shall maintain a wellness program to encourage a healthy workplace with regards to mental, physical, and emotional wellbeing. The wellness program will seek to build an encouraging and social environment focused on awareness, nutrition, activity, and prevention among Town of Little Elm employees and their families. It shall be the goal of the wellness program to support wellness in the work place by maintaining a program that meets the needs of the Little Elm organization and promotes a healthy lifestyle.

In order to further encourage a healthy lifestyle, the Town will maintain a wellness incentive program. The wellness incentive program is intended to provide rewards to employees who take personal initiative in relation to their own health and wellness. Employees shall be afforded an opportunity to earn points for completion of certain health-related actions in the areas of prevention, awareness, activity, and nutrition. Rewards and prizes will be offered to the employee based on the number of points accrued annually. Full-Time employees have the ability to earn an unlimited amount of points. Part-Time employees are encouraged to participate and will be eligible to earn up to a maximum of 500 points annually.

The Town will administer the wellness programs in accordance with federal regulations.

POLICY NO. 2.26: PERSONNEL RECORDS

The Human Resources Department will exclusively maintain personnel records of each active employee. **Separate personnel files shall not be kept at the department level.** Records will also be maintained on inactive employees for not less than the period required by law. An employee's records are available for inspection in the Human Resources Department by the employee, any individual authorized by the employee, his/her immediate supervisor, Department Head or designee. The Human Resources Department will not release personnel records to individuals or agencies outside the Town unless it is required by law.

An employee at all times has a right to inspect any and all inclusions made a part of his/her personnel records. Employees will be given a copy of any written record of a disciplinary or performance counseling that is added to their personnel file.

POLICY NO. 2.27: HIPAA LAW AS IT APPLIES TO EMPLOYEES

The Health Insurance Portability and Accountability Act of 1996 and its subsequent amendments are usually referred to by the acronym of HIPAA. It helps ensure continued medical coverage when employees change jobs. Most of all, HIPAA mandates that employee's medical information remain confidential.

Only the Department Head and the Human Resources Department are privy to employee's medical information and each will regard any medical information as highly confidential. An employee's medical records will be kept confidential and under the singular control of the Human

Resources Department.

A key feature of the HIPAA law, frequently called the Privacy Act, is this guarantee of privacy regarding medical information. Improper disclosure is not only a violation of this policy, but can lead to criminal prosecution under federal law.

Under the HIPAA law, employees need to treat any medical information they may encounter on or about employees as confidential. Regardless of how the information comes to the attention of any employee, it should never be shared publicly or privately with anyone. The only exceptions are if the information constitutes a potential endangerment to that employee or another person.

POLICY NO. 2.28: DRESS AND APPEARANCE CODE

The Town desires to project a positive and professional image of all employees representing the Town. Some departments have specific dress and appearance codes that you will be required to follow. Employees may also be required by their respective department to wear certain safety gear.

All employees are expected to dress in a manner that is appropriate for their position and observe good habits of grooming and personal hygiene. Clothing should be in good repair, appropriately worn (nothing tight or revealing), and not have slogans, graphics, or language inappropriate for a professional image. Department heads are responsible for monitoring the attire of their employees and taking corrective action when necessary.

This policy applies to all employees while they are on duty, whether during their regular work shift or non-regular work shift.

POLICY NO. 2.29: FRIENDS AND FAMILY AT WORK

The Town does not object to an occasional and infrequent visit by friends and family at work; provided there is only a minor disruption in the employee's work activity and does not adversely affect the work of other employees. Further:

- Visits are limited to locations accessible by the general public, but are not permitted at active, outdoor work locations.
- Children should not roam freely about the workplace without supervision.
- Visitors are not allowed access to any equipment, vehicles, or employee assigned computers.
- Department Heads may approve additional time for special occasions.

POLICY NO. 2.30: BREAKS

The time, location, and duration of employee breaks are at the discretion of the Department Head. Breaks, if permitted, are considered 'time worked.' Employees shall be encouraged to use their breaks for walking or stretching and the use of tobacco during breaks shall be discouraged.

POLICY NO. 2.31: USE OF TOWN LOGO OR TOWN BRANDING

The Town is owner of all rights, titles, and interest in certain designations comprising designs, trade names, trademarks, branding, and service marks including the names “The Town of Little Elm,” “Town of Little Elm, Texas,” logo types and seals incorporating one or more of the foregoing names and/or associated with the Town. Town employees may be prohibited from personal use of these items in any manner, including social media.

POLICY NO. 2.32: EMPLOYEE PRIVACY ON THE JOB

Employees should not have any expectation of privacy as it relates to their office, work space, desk, Town vehicle, locker, purse, backpack, or carrying case. Inappropriate or illegal items should never be brought to the work place. The Town reserves the right to monitor all Town-owned communication systems. The Town reserves the right to monitor all correspondence conducted on a Town-owned computer or any other type of electronic device capable of transmitting data, voice, and/or video.

PERFORMANCE MANAGMENT

POLICY NO. 3.01: PERFORMANCE MANAGEMENT

The Town of Little Elm expects a culture of constant coaching and employee development. Supervisors are expected to provide constant feedback to employees regarding their representation of the principles of Servant Leadership and core competencies related to the Town's values of Integrity, Customer Service, Efficiency, and Innovation.

Schedule. On the date of an employee's anniversary, a supervisor will hold a formal coaching session to identify the strengths and areas of improvement regarding the core competencies related to the Town's values. During this session, the supervisor and employee will identify strengths and weaknesses as well as accommodate the professional goals of the employee.

Supervisors will continue to check in and give feedback to employees on a frequent basis and hold a formal follow-up six months after the formal coaching session to ensure that the employee has been making progress.

Employee Responsibilities. Employees are expected to be knowledgeable about their essential job functions and areas of core competency regarding the Town's philosophy of Servant Leadership and four Core Values. The employee is also expected to seek out learning and development opportunities.

Coaching will be made by an employee's immediate supervisor. The supervisor will review a subordinate's performance with his or her Department Head.

LEAVE POLICIES

POLICY NO. 4.01: VACATION LEAVE

Regular Full-Time employees accrue vacation leave as follows:

Years of Service	Monthly	Yearly Accrual
First thru 5 th year	6.67 hours	80 hours
6 th thru 10 th year	10.00 hours	120 hours
11 years and over	13.33 hours	160 hours

Sworn Police Officers (effective April 1, 2020) and Fire Fighters who work in Fire Suppression accrue vacation as follows:

Years of Service	Monthly	Yearly Accrual
First thru 5 th	10.00 hours	120 hours
6 th thru 10 th year	15.00 hours	180 hours
11 years and over	20.00 hours	240 hours

Vacation leave accrues from the hire date. Vacation leave may be taken after completion of the initial six month probationary period.

Earned vacation leave may be used as follows, with supervisory approval:

1. Employees are encouraged to use a substantial portion of vacation leave each year. No employee may accumulate more than three hundred and twenty (320) hours by close of each calendar year. Employees who fail to take vacation and who have reached maximum accumulation will lose all vacation accrued over the maximum on January 1st of the following calendar year. Extensions for use of leave beyond the maximum accrual ~~can~~ may only be approved in extraordinary circumstances by the Town Manager with written authorization on file with the Human Resources Department.
2. Any employee ~~having who had~~ an accumulation greater than the maximum of 320 hours as of January 1, 2010, must have obtained validated documentation from the Human Resources Department of actual accumulated vacation leave; ~~that was~~ signed by the former Town Manager and recorded in their personnel file. These employees' accumulations are "grandfathered" at an amount no higher than what was in place as of January 1, 2010. This grandfathered ~~Said~~ accumulation will be the maximum that the employee will be allowed to accrue or be compensated.
3. Departments will schedule and approve leave considering their customers' needs, departmental operations, and employees' interests. The following requirements apply:
 - a. Vacation leave may be taken in one (1/2) hour increments.
 - b. Vacation leave shall not be advanced.
 - c. Vacation leave shall not be transferred from one employee to another.
4. Laterally transferred, promoted, or demoted employees shall retain accrued vacation leave.

5. Employees who have separated from employment with the Town will be paid up to 320 hours for ~~any~~ accrued vacation leave, regardless of the reason for separation~~of employment~~. The only exception to the 320 hour payout is reference in paragraph #2, above.
6. Any employee who separates from the Town and is rehired is not eligible to use past service for determining the accrual rate of vacation leave.

POLICY NO. 4.02: PERSONAL DAYS

All regular Full-Time employees are eligible, as of January 1st of each year, to receive three, eight-hour personal days per year. Personal days must be used in the same calendar year as earned. There is no accumulation of personal days. Employees hired after January 1 do not receive personal days until the following year. Employees may be eligible to earn an additional personal day through the wellness program or other employee incentive program as authorized by the Town Manager. Any such program must be offered equally to all Full-Time employees.

POLICY NO. 4.03: SICK LEAVE

All regular Full-Time employees accrue sick leave at the rate of 6.67 hours per month except regular twenty-four hour and twelve hour shift employees who accrue sick leave at the rate of 10.0 hours per month.

Sick leave may be used in one (1/2) hour increments for personal illness and injury or routine health care appointments that cannot be reasonably scheduled outside work hours.

Sick leave may only be used for personal illness, temporary disability, pregnancy complications, health and wellness appointments, treatments, and procedures, as well as in-patient and out-patient hospital stays, and care of family members as described below. Employees on sick leave are expected to be in a health care facility, home, doctor's office, or pharmacy. Employees found to be elsewhere during what would be their regular work shift may be subject to revocation of sick leave and disciplinary action. If an employee goes on FMLA leave for the birth, adoption, or fostering of a child, up to 80 hours of accrued sick leave may be used.

An employee utilizing sick leave is not allowed to engage in outside employment, including self-employment.

Employees may not take "no pay" status in lieu of sick leave without first exhausting all accrued leave. An employee in "no pay" status does not accrue additional leave.

Care of Family Members. Employees may also take accrued sick leave for the same reasons stated above for family members. For the purpose of using sick leave, an eligible family member shall be the employee's child, stepchild, parent, stepparent, or spouse. A child is defined as a biological child, adopted or foster child, or stepchild, of an employee who is standing in *loco parentis* or legal ward of the employee.

Proof of Qualifying Absence. The Department Head or Town Manager may require satisfactory proof of qualifying absence any time the employee is away from work using sick leave. The

Department Head or Town Manager may also require a statement from the attending physician of the employee's ability to resume his/her duties before permitting the employee to return to work, or a statement from the attending physician of the need for an employee to remain at home to attend to a sick child, spouse, or parent. The Department Head or Town Manager may disallow use of sick leave in the absence of satisfactory proof.

In addition, an absence of **more than**:

- Two consecutive work shifts for 8, 9, or 10 hour work shift personnel, or, One work shift for 12 or 24 hour shift personnel, requires the absent employee to present a valid medical doctor's written excuse prior to returning to work.

Illness While on Vacation. Employees who become ill or are injured during vacation may request that the vacation leave be terminated and the illness or injury time be converted to sick leave.

Employee Separation. Employees will be eligible to receive pay for unused sick leave upon voluntary resignation, retirement under TMRS as follows:

Years of Full-Time Service	Payment Eligibility (percent of
Under	0
5	50%
6	60%
7	70%
8	80%
9	90%
10 plus	100%

No employee will be paid for more than 360 hours of accrued sick leave, except employees hired prior to January 1, 2020, who will be paid for no more than 720 hours of accrued sick leave upon separation.

POLICY NO. 4.04: HOLIDAYS

The Town provides paid holidays to probationary, regular Full-Time and eligible Part-Time II employees. The following official holidays will be observed:

- New Year's Day
- Martin Luther King, Jr. Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Thanksgiving Friday
- Christmas Eve Day
- Christmas Day

As specifically provided in the Texas Local Government Code § 142.0013(c); ([Appendix C](#)) “a fire fighter shall be granted the same number of vacation days and holidays, or days in lieu of vacation days or holidays, granted to other municipal employees, at least one of which shall be designated as September 11th.” The Fire Chief and Town Manager will select which holiday will be replaced by September 11th.

Holidays. A holiday is a period of 8 hours. Holidays are considered time worked. Due to the requirements of providing 24/7 public services, not all employees are permitted to take time off on the official day of the Holiday or the observed day of the Holiday.

Holiday Bank. Beginning on January 1 of each year, each employee will receive 72 hours in their Holiday Bank. This bank will be administered by Payroll and will not be used at the employee's discretion. This bank will be used for official Town observed holidays only. At the end of each calendar year, unused Holiday Bank hours will carry forward to the next calendar year, not to exceed 8 hours. Unused accrued Holiday Bank hours will not be eligible for payout upon separation. Employees that start after January 1 of a given year will receive a prorated amount of hours in their Holiday Bank based on the number of remaining holidays for that year. If an employee does not have enough hours in their Holiday Bank to cover the time off, they may choose to supplement with Vacation Leave, Compensatory Time, or Personal Leave.

Exempt Employees required to work a Holiday. The employee will be paid their regular salary and earn 8 hours to be added to their Vacation Leave bank per observance.

Non-Exempt Non-Public Safety Full-Time Employees required to work a Holiday. The employee will be paid for the actual time worked. In addition, the employee will be paid 8 hours for the holiday at their regular rate of pay.

Part-Time I Employees Holiday Pay. Part-Time I Employees who are required to work a holiday will be paid 4 hours for the holiday in addition to hours worked. Part-Time I Employees who do not work on a holiday are not eligible to receive holiday pay.

Part-Time II Employees Holiday Pay. Part-Time II Employees who are required to work a holiday will be paid 4 hours for the holiday in addition to hours worked. Part-Time II Employees who do not work on a holiday will be awarded 4 hours of holiday pay.

Non-Exempt Public Safety Holiday Pay. Public Safety employees will be paid 8 hours for the holiday at their regular rate of pay. Employees on shifts who work a holiday will be paid for the regular shift worked plus 8 hours at their regular rate of pay per observance. When a Town observed holiday falls on a different date than the actual holiday, Public Safety employees will be paid 8 hours of regular pay on the actual holiday rather than the day observed by the Town.

Scheduling of Holiday. Holidays occurring on Saturday will be normally observed on the prior Friday and holidays occurring on Sunday normally will be observed on the following Monday except as approved by the Town Manager.

Ineligibility for Holiday Pay. Employees on an unpaid leave status on the scheduled workday immediately preceding or following a scheduled holiday will not be paid for the holiday.

Other Religious Holidays. Employees may request an approved absence to celebrate a religious holiday that is not a scheduled Town holiday. If approved, the employee may be given time off without pay or may be authorized to use accrued vacation leave or an accrued personal day.

POLICY NO. 4.05: ADMINISTRATIVE LEAVE

Employees may receive paid administrative leave for official business or other work-related matters as designated by the Department Head or Town Manager.

Administrative leave without pay will be utilized when deemed appropriate by the Town Manager. Employees will not continue to accrue benefits while on administrative leave without pay.

POLICY NO. 4.06: BEREAVEMENT LEAVE

The Town provides probationary and regular Full-Time employees paid time off, up to a maximum of 24 work hours per occurrence in the event of a death(s) of immediate family. For the purpose of authorizing bereavement leave "immediate family" is defined as current spouse, child*, parent*, brother*, sister*, parent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, grandchild, or grandparent-in-law. (*includes step relations)

An employee may be required to provide proof of death/funeral/family relationship in support of bereavement leave. Bereavement leave pay is paid at the employee's base rate at the time of absence. It does not include overtime or any special forms of compensation. Paid time off for bereavement leave is counted as hours worked for purposes of determining overtime.

Employees who wish to take bereavement leave must notify their supervisor immediately. Employees may take additional time off as vacation or sick leave, if applicable, upon request and approval of the Department Head or Town Manager.

POLICY NO. 4.07: JURY DUTY

The Town provides paid leave to regular Full-Time employees and Part-Time II employees required to serve on jury duty or requested to testify as a witness by the Town in a Town-related civil, criminal, legislative, or administrative proceeding. The employee must provide documentation of the requirement for jury duty, subpoena compliance, etc.

Employees required by summons to report for jury duty or who are impaneled as a juror or alternate, shall receive their regular pay during the time period directly related to jury duty (not to exceed 40 hours of jury duty pay per week).

Employees on jury duty leave should keep up with their job responsibilities if possible. An employee who is on jury duty typically must report for Town duty for the remainder of the day upon completion of court or jury service, or request approval for use of other available paid time off. Any payment for jury duty received by the employee may be retained or donated to a

charitable cause.

POLICY NO. 4.08: COURT APPEARANCES AND OTHER LEGAL MATTERS

Court appearances for testimony, investigation, and court preparation as a result of official duties as a Town employee (e.g., police, fire, inspections, animal control, etc.) are compensated as actual hours worked. Any witness fees collected by the employee in their official capacity must be remitted back to the Town of Little Elm.

Employees will not be paid for time off to conduct personal or private legal business. Vacation or compensatory time may be used if approved by the Department Head.

POLICY NO. 4.09: FAMILY AND MEDICAL LEAVE ACT LEAVE

The Town provides leave to certain eligible employees in accordance with the Family and Medical Leave Act (FMLA). Under the FMLA, eligible employees may take up to 12 weeks of job-protected leave each year for specified family and medical reasons or 26 weeks of leave to care for an injured or ill service member. Details of eligibility and procedures that must be followed are contained in [Appendix E](#), attached hereto.

POLICY NO. 4.10: MILITARY LEAVE

The Town complies with all state and federal laws relating to all Full-Time and Part-Time employees in reserve or active military service and does not discriminate against employees who serve in the military. Temporary employees who have brief or non-recurrent positions with the Town and who have no reasonable expectation that their employment with the Town will continue indefinitely or for a significant period of time are generally ineligible for extended paid military leave in excess of 15 days, reemployment rights, or any other military leave benefits under this policy. This policy covers employees who serve in the uniformed services in a voluntary or involuntary basis, including active duty, active duty for training, initial active duty for training, inactive duty training, and Full-Time National Guard duty.

Notice to Town of Need for Leave. Employees must provide as much advance written or verbal notice to the Town as possible for all military duty (unless giving notice is impossible, unreasonable, or precluded by military necessity). Absent unusual circumstances, such notice must be given to the Town no later than 24 hours after the employee receives the military orders. To be eligible for paid military leave, employees must complete and submit the Military Leave of Absence Request and Leave Use Designation form ([Appendix N](#)) to the Human Resources Department along with the official documents setting forth the purpose of the leave and, if known, its duration. Said form must be turned into the Department Head and the Human Resources Department as far in advance of the leave as possible.

Paid Leave for Training and Duty. Employees will be paid 15 work days for military absences. All employees who work fire suppression will receive 180 hours per fiscal year. All other employees will receive 120 hours per fiscal year. This leave may be used when an employee is engaged in the National Guard or U.S. Armed forces, reserve training or duty ordered or approved by proper military authority. The paid leave days may be consecutive or scattered throughout the year.

Employees who have exhausted all available paid leave will be treated as employees in non-pay status. Should employees have accrued vacation leave, they may request to use any part of it through their supervisor. This will not affect their military leave status.

This policy will be administered consistently with USERRA and the Texas Government Code, Section 437.202 et seq.

POLICY NO. 4.11: HAZARDOUS CONDITION LEAVE, INCLEMENT WEATHER/ EMERGENCY CLOSING, AND CIVIL EMERGENCIES

Town services will be maintained during severe weather conditions and civil emergencies. As such, all employees are expected to report to work unless otherwise notified. Except for extraordinary circumstances, Town offices do not close.

Employees unable to report to work due to poor road conditions, civil emergencies, or other severe weather-related problems may use accrued vacation leave, use accrued personal leave, or use accrued compensatory time.

Employees who are not permitted to work their entire work shift due to severe weather or civil emergency may be compensated the remainder of their scheduled work shift as Hazardous Condition Leave. Hazardous Condition Leave may be granted only by the Town Manager.

POLICY NO. 4.12: UNAUTHORIZED LEAVE

Employees failing to report for duty or failure to remain at work as scheduled without proper notification, authorization, or excuse shall be considered to be on unauthorized leave of absence and shall not be in pay status for the time involved. Unauthorized leave of absence constitutes abandonment of duties and can result in dismissal.

POLICY NO. 4.13: TOWN-SPONSORED/TOWN-SANCTIONED EVENTS

The Town encourages employees to participate in community and charitable events. Participation in events will generally not be considered work hours or compensable time. The employee may be authorized to use vacation leave or personal day to participate in these events.

If deemed to benefit the Town, and as determined by the Town Manager, participation in Town-sponsored or Town-sanctioned events may be considered compensable time.

POLICY NO. 4.14: NEUTRAL ABSENCE CONTROL POLICY

Long-Term Absence. Any employee who is absent from work for more than 180 calendar days, for whatever reason, will be terminated. Brief appearances at work during an overall absence of 180 days will not prevent the Town from terminating an employee if determined to be in the Town's best interest. Likewise, any employee who reports to work (e.g., in a light duty capacity), but is unable to perform the essential duties of his or her actual position for a period of 180 days will likely be terminated. However, in the event that an employee has a paid leave balance remaining

at the end of 180 days, the Town may, upon request, extend his/her leave using any available paid leave balance up to a maximum paid absence of one year, or be terminated and paid for accrued leave balances.

This policy will be administered consistently with the Town's obligations under the Americans with Disabilities Act, including considering extending leave as a reasonable accommodation.

POLICY NO. 4.15: SICK LEAVE POOL

Purpose. The purpose of the Sick Leave Pool is to provide employees with a possibility of obtaining additional paid sick leave days to assist them financially when they are unable to work for an extended period of time due to a qualifying catastrophic illness or injury that caused the employee to exhaust all paid leave time benefits.

Policy. This policy establishes guidelines for the organization and administration of the Sick Leave Pool, hereinafter referred to as the "Pool," for the employees of the Town.

Definitions. For purposes of this policy, the following definitions will apply:

Qualifying Catastrophic Illness/Injury must meet one of the following:

- A severe condition that affects the mental or physical health of an employee to the extent that he/she is unable to perform his/her job nor is able to perform one or more normal life functions; or
- Poses a threat to life; requires 'in-patient' or hospice care or extensive outpatient treatment or care; and requires the services of a state licensed physician for an extended period of time.

Employees who, through willful misconduct, purposely self-inflicted, or injured on a job not connected to his/her employment with the Town, are NOT eligible for use of the Sick Leave Pool.

Extended period of time is defined as 30 calendar days of absence for a single illness or injury.

Licensed Physician as defined by the Texas Insurance Code and practices within the scope of his/her license.

Contributions to the Sick Leave Pool. Contributions to the Pool are strictly voluntary. Contributions can be made from excess sick leave that would be lost due to maximum carry over limits, at voluntary separation of service from the Town, or an annual contribution of between 8 and 24 hours can be contributed by active employees who have a minimum sick leave balance of one hundred and four (104) hours of accumulated sick leave. Annual contributions will not be needed as long as the Pool has a balance in excess of 3,000 hours.

Employees making contributions to the Pool may not stipulate who is to receive their

contributions nor are contributions retractable. Employees are further prohibited from the sale or purchase of sick leave hours, taking coercive action to donate sick leave hours, or granting favoritism or reward for the donation of sick leave hours.

Eligibility. Regular full time employees who have been employed with the Town for one year and meet the criteria listed in this policy are eligible to apply for sick leave from the Pool.

The employee must have exhausted all paid leave (including sick leave, vacation, holiday, and comp time) due to his/her non-job related catastrophic injury or illness.

The employee must have had an absence of 30 calendar days to apply to the Pool.

The employee must provide a medical certification from a licensed physician, in a form acceptable to the Town, that the illness or injury is catastrophic and will require the employee to remain absent from work. The Town reserves the right to request a second opinion (paid for by the Town).

Pool benefits are not available for absences due to an employee's family member; benefits are only available for the employee's own illness/injury.

The employee must not have been disciplined or written-up during the last two years for abuse of sick time. Other factors considered by the Town when granting or denying an application for sick pool benefits include, but are not limited to, the nature of the serious health condition giving rise to the request, the employee's length of service, disciplinary and attendance history (including prior utilization of sick leave), the likelihood that the employee will be able to return to his/her regular duties within a reasonable period of time, and available sick leave in the Pool.

While using time from the Pool, employees may not work another job (including self-employment). An employee who performs outside work will lose all remaining Pool time and will be subject to disciplinary action up to and including termination of employment.

Enrollment Period. The enrollment period will be January of each year. Forms for enrollment will be provided by the Human Resources Department.

Request for Use of Sick Leave Pool. Requests must be submitted on the proper form ([Appendix M](#)) and given to the Human Resources Department along with a medical certification signed by a licensed physician. The physician's statement must include the date the catastrophic medical condition began, the probable duration, an estimate of time the employee will be unable to perform work of any kind, and any other information requested by the Town. The physician's statement must also indicate if the employee can work a reduced work schedule and list any restrictions. The Town may also require the employee to submit to a medical exam by a doctor chosen by the Town to determine eligibility for benefits under this policy. The employee must sign required medical releases/authorizations required by the Town for this purpose. If the employee is unable to fill out the necessary paperwork due to the critical nature of his/her illness/injury, the employee's Department Head may file the application on their behalf.

If an employee refuses to work an approved reduced work schedule, Pool time will be denied. An

updated medical certification will be required for each 30 days of sick leave granted. Any unused balance of sick leave time granted to an employee will be returned to the Pool.

Approval Process. Application for sick pool leave is contingent upon the available balance in the sick pool at the time of application. Approval will be given in maximum increments of 30 days (240 hours). In no case will the employee be granted more than 90 work days (720 hours) per calendar year. Unused time will be returned to the pool upon returning back to work.

Once the request is received from the employee, a decision will typically be made within five working days and communicated to the requesting employee. The Town Manager is the approving authority for all requests for use of the Pool.

Recordkeeping. The Human Resource Department will maintain the Pool ledger. The ledger will reflect the balance of the sick leave pool along with the records of contributions and advances.

The original copies of request forms and medical certifications will be kept in the employee's medical file maintained in the Human Resources Department.

Miscellaneous. This policy is subject to the Town's [Neutral Absence Control Policy, Section 4.14](#) which applies to all employees absent from work for more than 180 days.

Abuse of this policy will result in loss of any remaining sick pool time and will also result in disciplinary action, up to and including termination of employment.

PAY AND BENEFITS

POLICY NO. 5.01: PAY

The Town uses a step/grade pay plan that is generally updated on an as-needed basis. Updates to the plan may be the result of market surveys or cost-of-living adjustments approved by the Town Council during the budgetary process. Each job position is assigned a pay grade, according to the requirements in the job description and salary demanded by that position in the marketplace. Positions with similar market pricing are placed in the same grade. Once a position is placed in a grade, it does not move from that grade until such time management decides to change the associated responsibilities of that position as specified in the job description, or the market dictates.

New employees are placed in a particular pay grade when hired. Generally, a new employee will be hired at step 1 of the pay grade the position is assigned. Some positions will require starting at a higher step, due to the Town's need for a person of higher level of experience and/or skills, as determined by the Town Manager. If budgetary and economic conditions allow, employees will move up one step in the plan at the beginning of each fiscal year. Employees who have reached the highest step available in their pay grade ("topped-out") will not be eligible for any additional step increases. Topped-out employees will be eligible for any comparative or cost of living adjustments (COLA) to their step/grade if and when approved in the Town's budget. Employees are not eligible for their step increases during their six month probationary period. If step increases are awarded during this time, they will receive their step increase at the end of their six month probation. This increase will not be retroactive.

Employees will be paid on the scheduled pay days in accordance to their placement on the step/grade pay plan. No advance payment of salary will be made to any employee.

POLICY NO. 5.02: OVERTIME PAY

Hours Worked. Holiday leave, vacation leave, bereavement leave, military leave, and jury duty are considered hours worked. Personal days, unpaid administrative leave, compensatory leave, and sick leave will not be considered hours worked.

Exempt Employees. Employees who are exempt from the provisions of the Fair Labor Standards Act (FLSA) are not eligible and will not receive overtime pay.

Non-Exempt Employees. Non-exempt employees may be scheduled to work overtime and/or at the request of their supervisor. When possible, advance notification of mandatory overtime assignments will be provided. Overtime assignments will be distributed as equitably as practical to all non-exempt employees qualified to perform the required work. Refusal or other failure to work mandatory overtime may result in disciplinary action up to and including termination of employment. Overtime work is otherwise subject to the same attendance policies as straight time work.

Overtime. All non-exempt employees must receive their supervisor's or Department Head's prior authorization before performing any overtime work. This means employees may not begin work prior to their scheduled workday, and may not continue working beyond the end of their scheduled workday, without prior authorization from the appropriate supervisor. Similarly, employees may not work through their lunch break without prior authorization from the appropriate supervisor. On the employee's time sheet, the appropriate supervisor must also approve any overtime before the time sheet is submitted for processing and payment. Non-exempt employees shall not remain on the work premises without authorization unless they are on duty or are scheduled to begin work within a short period of time. Non-exempt employees who work overtime without receiving proper authorization will likely be subject to disciplinary action, up to and including possible termination of employment.

Supervisors may elect to flex an employee's time or shift schedule within the same work period to avoid accruing overtime.

Overtime Rate. Generally, overtime pay for non-exempt employees is at the rate of 1.5 times the employee's regular hourly rate of pay. Some non-exempt employees may be paid on a salaried basis. A non-exempt employee's regular hourly rate includes all pay incentives, such as clothing allowance, longevity, education, and certification pay. Shift personnel in the Fire and Police Departments are paid overtime based on the work period adopted by their Department under Section 207(k) of the Fair Labor Standards Act and/or Texas Local Government Code §142.0015. (See [Policy No. 2.01](#)).

POLICY NO. 5.03: COMPENSATORY TIME

Compensatory time, in lieu of overtime pay (hours after an employee reaches his/her position's overtime threshold), shall be credited at the rate of 1.5 hours credit per one hour worked for non-exempt personnel. Official compensatory time records shall reflect the product of actual hours worked, multiplied by 1.5. All non-exempt employees shall be allowed to accumulate no more than 120 hours of compensatory time. Eligible employees may take compensatory time off within a reasonable period following their request. Compensatory time off must not unduly disrupt departmental operations and must have prior supervisory approval. In order to reduce the financial impact of compensatory time accruals, Department Heads may require the use of compensatory time. Members of the Fire and Police Department are considered to have agreed to being paid all accrued compensatory time whenever he/she is promoted and/or when it is necessary to minimize the financial impact of compensatory time accruals, in accordance with §142.0016, Texas Local Government Code.

Non-exempt employees shall be paid for accumulated, unused compensatory time upon termination of employment, regardless of the reason for termination. Non-exempt employees who accrue more than 48 hours in a fiscal year will be paid for all hours exceeding 48 hours on the first payday after September 1. The remaining 48 hours will rollover to the next fiscal year for the employee's use.

Exempt employees do not accrue compensatory time. Exempt employees may be permitted, with supervisory approval, to use a temporary flex hour work schedule within the same pay period, on an hour for hour basis.

POLICY NO. 5.04: ON-CALL DUTY

The Town provides for after-hour service needs by allowing some departmental operations to designate certain non-exempt employees to be on-call. Employees designated to be on-call are expected to respond to departmental after-hour service needs as required by procedures established by their department.

Return to work provisions. After regularly scheduled working hours, on-call employees are free to pursue personal activities, but must respond to a call back (via email, text, phone, or radio) within designated guidelines set by their department. Employees designated as on-call must be fit, both mentally and physically, to accomplish on-call services needed within the time frame required (See [Policy No. 6.03: Drug and Alcohol Use](#)). An employee is considered officially scheduled and designated as on-call only when approved by their supervisor in accordance with procedures established by their department.

Compensation. On-call status is not considered time worked and is not compensable unless a departmental policy, as approved by the Town Manager, states otherwise. On-call non-exempt employees called back to the workplace will be paid at their regular rate of pay for actual hours worked with a minimum of one hours pay after their regularly scheduled working hours or on a regular day off. Pay will be considered overtime if the employee has already recorded the hours required to meet the overtime threshold for their position. Time worked immediately after regularly scheduled working hours at the request or approval of the supervisor (i.e., “holding over”) will not be considered call-back and is paid at the employee’s regular rate of pay until the overtime threshold is reached. Continuing work on a call-back that extends beyond the one hour minimum and into a day off does not entitle the employee to additional premium pay. Travel time to and from a call-back is compensable, in accordance with departmental policy. On-call employees who do not return to the workplace, but who handle a workplace issue by phone or internet will be compensated based on a departmental policy, approved by the Town Manager. In all cases, employees must report their actual hours worked on their time sheets.

Exempt employees are not eligible for compensation under the provisions of this policy. As a general rule, call-back response times should not exceed 30 minutes.

Departmental Policies. Each department has its own internal procedures for handling on-call services. Departments may establish guidelines for varying levels of response to call-back situations depending upon the nature and importance of the services to be completed.

POLICY NO. 5.05: TEMPORARY PROMOTION PAY

Eligibility of temporary promotion pay increases requires that the employee must have worked, or be scheduled to work, a minimum of 30 calendar days in the new position. Pay increases will be effective at the start of the temporary promotion period.

Police and Fire personnel covered by [Texas Local Government Code, § 141.033](#), will be paid in accordance with paragraph (b), to wit; “A member of the fire or police department who is required to perform the duties of a particular classification is entitled to be paid the salary prescribed for that

position during the time the member performs those duties.” This however requires written confirmation of the higher classification assignment by the Department Head, immediately before or after the employee’s shift, and is limited to only those hours wherein the actual duties unique to the higher classification are performed.

POLICY NO. 5.06: PAY AFTER PROMOTION

Employees promoted to a position in a higher pay grade, including temporary promotions, will be placed at a step and that is adequate to compensate for the increased job duties. Employees receiving a promotion shall receive a raise that is a minimum of approximately 5%.

POLICY NO. 5.07: PAY AFTER DEMOTION

Treatment of base pay due to demotions is as follows:

- For reassignment demotions, pay will be reduced a minimum of five percent and new pay must be in the range of the reassigned pay grade;
- Performance-based and voluntary demotions will result in the employee’s base pay being reduced and the employee’s new salary will be determined by the Town Manager and the Department Head.

POLICY NO. 5.08: TRAVEL TIME

Travel to and from work is generally not compensable, unless specifically approved by the Town Manager. Travel time during regular work hours is compensable for all employees. Travel time which is outside of regular working hours is generally not compensable, unless the employee is on-call or if travel is approved by the Town Manager.

POLICY NO. 5.09: LONGEVITY PAY

All regular Full-Time employees who have completed 12 full calendar months of service by September 30th of each year shall be eligible to receive a check in November of that year for longevity pay in the amount of \$60.00 for each year of Full-Time service completed as of September 30th of each year. Formula is based on the employee’s Anniversary Date.

POLICY NO. 5.10: RETIREMENT PAY AND BENEFITS

The Town is a member of the Texas Municipal Retirement System (TMRS) and participation in TMRS is mandatory for all Full-Time employees. The Town’s contribution is, at the time of the adoption of this policy, set at a 2 to 1 match of the employee’s 7% contribution. The Town’s match is subject to annual budget appropriation. The plan is administered by the Human Resources Department.

The Town participates in the Federal Social Security and Medicare System. All employees are required to participate. Part-Time I and Part-Time II employees are not eligible for TMRS

benefits.

POLICY NO. 5.11: HEALTH BENEFITS

Wellness Program. The Town will maintain a wellness program which will encourage a healthy workplace with regards to mental, physical, and emotional wellbeing. The wellness program will seek to build an encouraging and social environment focused on awareness, nutrition, activity, and prevention among Town of Little Elm employees and their families. It shall be the goal of the wellness program to support wellness in the work place by maintaining a program that meets the needs of the Little Elm organization and promotes a healthy lifestyle. The wellness program is attached as [Appendix L](#).

Medical/Dental/Vision/Life Insurance. All Full-Time employees are eligible to participate in the Town's medical/dental/vision/life insurance plans and are effective the first day of the month after the employee begins work. The cost to provide these benefits to the employee is currently shared by the Town, subject to annual budget considerations. Dependent coverage is available and the Town does share in the dependent coverage cost, subject to annual budget considerations. Benefits under this plan terminate on the last day of the month in which employment with the Town terminates.

Premium Reduction Program. Employees shall be given the opportunity to meet preventative care requirements which will determine the cost of the annual premiums that they pay for in a given plan year through a four tiered plan ([Appendix L](#)).

Each participant who completes the preventative care requirements at or before the open enrollment period ends will pay the lowest premiums for the following year. Health plan participants who do not complete the preventative care requirements will pay more. The exact premium amounts will be based on the group plan costs and the Town will pay a varying percentage of employee and dependent coverage based on completion of Preventative Health Care Qualifications.

Employees whose start date is after the open enrollment period ends will be placed in the highest tier of the premium reduction program, but will have certain requirements to complete for the next open enrollment period.

Continuing or Converting Insurance Coverage. COBRA is a federal law that requires most employers who sponsor group health plans to offer employees and their families the opportunity to temporarily extend their group coverage at group rates in certain instances where coverage under the employer's group health plan would otherwise terminate. The employee is responsible for paying for the cost of any such continuation coverage, plus a small administration fee.

Under COBRA, employees may elect COBRA continuation coverage for up to 18 months after termination of employment (unless the employee is terminated due to gross misconduct), or if an employee's hours are reduced to such an extent that the employee no longer qualifies for participation in the group health plan. Under other circumstances, COBRA coverage is available for up to 36 months following a qualifying event. Employees must notify the Town within 60 days

of the occurrence of the employee's legal separation or divorce and of a covered dependent ceasing to qualify as a dependent under the medical plan.

Detailed COBRA notices are given to employees when an employee becomes eligible for participation in the Town's group health plan and again when a qualifying event occurs. For more complete information on COBRA and your health plan, you should review your summary plan description or review a copy of the full health plan in the Human Resources Department.

Continuation of Benefits upon Retirement. Regular Full-Time employees, who are eligible for retirement through TMRS, must actually retire through TMRS at the time of separation from the Town and have at least five years of service with the Town. Upon retirement, a retired employee may elect to continue medical, dental, and/or vision coverage. Retirees may continue in this plan until the first day of the month in which they reach age 65. If the Retiree Notification Form – Group Health Coverage ([Appendix O](#)) is not returned within 30 days of the date of the notice of retirement, the offer of retiree coverage will be rescinded. Eligible retirees who decline to enroll in this plan must still fill out this form to decline coverage.

Retired employees may elect to continue to purchase coverage for eligible dependents that were covered under the Town's group health insurance plan at the time the employee retired. If a retired employee elects subsequently to discontinue coverage for a dependent, the dependent is no longer eligible to receive health care benefits under the Town's plan.

A retired employee who is eligible for health care benefits coverage from another employer is not eligible to continue coverage under the Town's health plan.

Regular Full-Time employees that retire under the Town's retirement system are required to pay premiums equal to COBRA rates of the given year in order to maintain coverage.

Retiring employees must provide written notification of retirement at least 45 days prior to the date the employee intends to retire. This additional notice is necessary to enable the Town staff to provide the appropriate retirement plan paperwork and to counsel retiring employees regarding their eligibility for retirement benefits.

POLICY NO. 5.12: WORKERS' COMPENSATION INSURANCE

Workers' Compensation insurance is carried for employees of the Town to provide payment of medical expenses and for partial salary continuation in the event of a work-related accident or illness. The amount of benefits payable and the duration of payment depend on the nature of the injury or illness.

If an employee becomes ill or is injured on the job, the incident must be reported immediately to a supervisor to ensure proper medical treatment is obtained. Failure to follow this procedure may result in the appropriate workers' compensation report not being filed in accordance with the law, which may consequently jeopardize your right to benefits in connection with the injury or illness. The Town reserves the right to require an employee to see a medical professional of the Town's choice at the expense of the Town.

An employee who suffers a work-related injury and is unable to work may be eligible for salary supplementation, in addition to payments received from Workers' Compensation Insurance. The purpose of the salary supplementation is to provide the employee the same salary as if the employee was working full time; but in no event shall exceed ninety (90) calendar days. To be eligible for salary supplementation, the employee must provide the Human Resources Department proof of payments from Workers' Compensation insurance. After ninety (90) days, the employee may use accrued leave, such as sick and vacation leave, to supplement their salary while on leave due to a work-related injury. An employee may also be eligible to draw from the employee sick leave pool after other benefits are exhausted. Payments made by Workers' Compensation insurance will be deducted from the employee's pay during that time as an off set.

Employees who return to work on restricted duty, as authorized by their attending physician, who normally work schedule overtime will be eligible for salary supplementation.

A restricted duty assignment is subject to the same 90 calendar day limitation for salary supplementation. As a general rule, an employee will not be permitted to work in a restricted duty assignment beyond 90 days. This policy will be enforced in accordance with the Town's obligations under the Americans with Disabilities Act.

When an employee returns to full duty, the employee must present a Return to Work certification by the attending physician that clearly indicates the employee is capable of performing all of the essential job functions of the position they hold.

If an employee suffers from a workers' compensation injury, any overtime accrued during the pay period in which the injury occurred will be paid out. If the employee remains under workers' compensation for additional pay periods, overtime cannot be accrued until the employee is cleared by the workers' compensation physician.

POLICY NO. 5.13: TUITION REIMBURSEMENT

The Town offers tuition reimbursement to all regular Full-Time employees who have completed their initial probationary period and who wish to enroll in courses for academic study from an accredited institution such as a college, university, technical or business school (not continuing education).

Tuition reimbursement is offered for both undergraduate and graduate courses that are related to the employee's job or is in preparation for promotion to an applicable position within the Town.

If this is the first time applying, the employee must submit a degree plan along with the Tuition Reimbursement Program Application ([Appendix F](#)). Applications will not be accepted unless the employee has submitted an individualized degree plan. All levels of approval must be obtained prior to the first day of class. Within forty-five (45) calendar days of successful completion of the course or courses, the employee must present grade transcripts and paid receipts reflecting amounts paid. The Town will reimburse up to fifty percent (50%) of tuition and required fees not to exceed that which would be payable at University of North Texas resident tuition. A grade of C or better is required to qualify for reimbursement. Maximum benefit any employee can receive

from this program is \$3,000 per fiscal year.

If an employee who has received a tuition reimbursement terminates Town employment within 12 months from the date the course work is completed, the amount of tuition reimbursement received shall be repaid in a single payment to the Town which may be withheld from the employee's final paycheck and/or deducted from any leave benefits that would be paid from the employee's final paycheck.

Tuition reimbursement is limited to annual budgetary appropriation. Applications will be accepted on a first-come, first-serve basis and will be granted up until the budgetary appropriation is expended. If there are any additional applications that were not funded due to the appropriation being expended, those employee names will be placed at the top of list to apply for reimbursement for their next classes.

POLICY NO. 5.14: EDUCATION AND CERTIFICATION PAY

General Requirements. The Town may change an employee's pay rate based on the employee receiving a certification (s), and/or academic degree (s), for their position.

It is the policy of the Town to encourage its employees to participate in advanced training. Additional training is important to the employees and is an overall benefit to the operation of the Town. Levels of training and certification for that training should be recognized. It is the intent of this policy to formally establish criteria by which compensation for certificates may be given. Education and certification pay shall be available to Full-Time employees.

Total of all certification(s), academic degree(s), and professional registration shall not exceed \$250.00 per month.

For a detailed listing of education pay, see [Appendix G](#).

Certification Pay. In order to receive compensation, a certificate must be received and used in the employee's work responsibilities and must not be a minimum requirement for their position. Should an employee transfer to a department where the training becomes applicable, the employee may then be eligible for certification pay. Certification pay may also be forfeited if a transfer places the employee where the certification is not applicable. For a detailed listing of certification pay, see [Appendix G](#).

Second Language Certification Pay. Employees who receive the Texas Department of Licensing and Regulation's Licensed Court Interpreter certification, which tests both written and oral capability, will receive \$100.00 per month **if** employee is routinely called upon by the Municipal Court for this service. This certification will 'count' toward the maximum allowable dollars per month in the General Requirements paragraph above.

Second Language Incentive Pay. Employees who speak English and, who are able to speak Spanish at an intermediate equivalency level, and, who are available to provide assistance in on-duty situations where a Spanish language barrier arises, will be granted an additional \$30.00 per

month. The intermediate equivalency level will be determined by a score of 6 or greater on the ALTA Language Services standardized speaking and listening Spanish exam. Employees can receive either this incentive pay, or Second Language Certification Pay, but not both. Employees are required to provide proof of second language proficiency before the Town is obligated to pay incentive pay.

POLICY NO. 5.15: DEFERRED COMPENSATION

The Town offers an optional IRS approved Section 457 deferred compensation plan. Since the IRS strictly regulates an employee's contributions to and withdrawals from a deferred compensation account, the employee's funds are not accessible like a savings account. This program is a tax-sheltered retirement fund. For more information on deferred compensation, contact the Human Resources Department.

POLICY NO. 5.16: WAGE GARNISHMENT

When directed by court order, the Town will garnish an employee's wages with or without employee approval.

POLICY NO. 5.17: SECTION 125 CAFETERIA PLAN

Eligible employees may elect to receive a variety of benefits including accident or health plan reimbursement, medical expense reimbursement, dependent care assistance benefits, group term life insurance, or long term disability premium reimbursement as authorized under the Town's IRS approved Section 125 cafeteria program. Employees electing group health/dental/vision for dependents are automatically enrolled in the Section 125 program regardless of whether or not they are enrolled in a Flexible Spending Account.

POLICY NO. 5.18: PAY DAYS, TERMINATION PAY

Employees are paid every two weeks, generally on Friday, for work ending not more than seven days before that pay day. Each employee's pay check or pay check stub should identify all deductions made by the Town. The Town will deduct from each employee's pay Medicare, federal income taxes, retirement contributions, court ordered child support, and any other deductions required by law. If authorized in writing by the employee, the Town may deduct from an employee's pay medical and life insurance premiums, Section 125 Plan contributions, non-profit contributions, association dues, and other deductions approved by the Town Council. If there is a change in the employee's family status, address, or any other factor affecting their payroll withholding or other benefits, the employee shall notify the Human Resources Department within one week.

The employee's paycheck is payment from the Town to the employee for services the employee has rendered, less any applicable deductions. If the employee does not report paycheck errors promptly, the Town will treat the employee's silence as proof of the employee's agreement that all calculations are correct. If the employee does not understand how to figure their pay or how

to read their check, the employee should seek help from Human Resources so that it can be properly explained to the employee.

POLICY NO. 5.19: VEHICLE ALLOWANCE AND REIMBURSEMENT

An employee may be given a monthly allowance for consistently using such employee's own vehicle for Town business if the use is deemed necessary by the Town Manager and budgeted funds are so designated. Alternatively, an employee who is authorized to use their personal vehicle for Town business is eligible to receive expense reimbursement as outlined under [Policy 2.12, Travel Policy](#).

POLICY NO. 5.20: FLEXIBLE SPENDING ACCOUNTS AND HEALTH SAVINGS ACCOUNTS

Flexible Spending Accounts (FSA) are tax-favored accounts that allow employees on a voluntary basis to set aside money pretax for eligible medical, dental and vision care costs for themselves and their dependents. FSA's can also set aside money pretax for certain eligible dependent care costs. FSA's are a benefit that allows an employee the opportunity to put some of his/her salary aside before taxes to pay for many common out-of-pocket expenses, including co-pay expenses. The result of decreased taxable earnings results in a decreased federal income tax burden.

The Town offers two different flexible spending accounts; one is for qualified medical expenses and the other is for dependent care expenses. Healthcare FSA's help you reduce healthcare costs and make budgeting easier. The other FSA, a Dependent Care FSA, pays for childcare or adult dependent care expenses that are necessary to allow you or your spouse to work. With a Dependent Care FSA, you can only be reimbursed up to the amount currently available in your account.

Health Savings Accounts (HSA) accumulate funds to cover your health care expenses. It comes with a high-deductible health plan that protects you from large health care expenses. The Town will contribute to your Benefit Wallet HSA account \$750 annually for Employee Only elections, and \$1,500 for Employee + Dependent elections. Employees hired after May 1 will receive a prorated rate of \$375 for Employee only and \$750 for Employee + Dependents. Employees can contribute additional funds pre-tax up to a combined maximum.

The Town's benefits plan runs from November 1 to October 31 of each year. For information regarding minimum and maximum pay per calendar year, please contact the Human Resources department for the current employee benefits packet.

POLICY NO. 5.21: STATE OF TEXAS DECLARED EMERGENCY

Exempt employees, while assigned or deployed to work as part of a state or federal assistance response (i.e. TIFMAS, EMAC, etc.) will be paid the hourly rate at their current salary and will be eligible to receive overtime pay during deployment.

POLICY NO. 5.22: PAY AND BENEFIT LIMITATIONS

All pay and benefits described within this employee manual are subject to and contingent upon an annual budget appropriation.

POLICY NO. 5.23: TEMPORARY ASSIGNMENT PAY

On occasion, an employee is asked to perform a job duty well beyond the scope of their job description and a job classified at a higher pay grade. With concurrence of the Town Manager in advance, that employee's pay can be increased by their Department Head for the hours of the temporary assignment. That temporary pay cannot exceed 5% or Step 1 of the higher pay grade, whichever is greater. Generally, this will only apply when an employee is filling in for another employee with a higher pay grade.

POLICY NO. 5.24: EMPLOYEE ASSISTANCE PROGRAM

All employees and their eligible dependents have access to trained counseling and support professionals to identify solutions and resources that help employees live and work well. Information on this benefit is available through the Human Resources Department.

CODE OF CONDUCT

POLICY NO. 6.01: STANDARDS OF CONDUCT

Below are examples of expectations for appropriate work performance and conduct. It is the employee's responsibility to meet all work-related expectations. If an employee does not meet these expectations, disciplinary action may be appropriate.

Some of the specific examples listed below may fit under more than one of the broader categories. This section provides guidelines only and is not intended to be an exhaustive or all-inclusive list:

- Each employee is responsible for performing his/her job in an efficient and safe manner.
- Each employee is responsible for conducting his/her self in a manner that is respectful of others and worthy of respect from their coworkers.
- Each employee is responsible for complying with the laws, regulations, and policies of the United States, State of Texas, the Town, and his/her department.
- Each employee is responsible for utilizing Town time, tools, equipment, and vehicles in accordance with the Town and/or department guidelines.
- An employee may not use his/her official position for personal or financial gain or special privileges, except in the performance of his/her assigned duties.
- Each employee is responsible for complying with the attendance guidelines and work hours of his/her position.
- Each employee is responsible for maintaining acceptable work performance.
- Each employee is responsible for compliance with the policies and procedures set forth in the Employee Manual.
- Each employee is responsible for conducting him or herself, both during work hours and after work hours, in such a way to avoid damaging the Town's reputation or business.
- Each employee is required to give written statements of fact, when requested, regarding any internal investigation.

POLICY NO. 6.02: INAPPROPRIATE CONDUCT, SEXUAL, AND OTHER UNLAWFUL HARASSMENT

All Town employees are entitled to a workplace free of unlawful harassment by management, supervisors, coworkers, citizens, and vendors. This means each employee must be respectful of others and act professionally. Town employees are also prohibited from engaging in inappropriate conduct and harassing coworkers, citizens, vendors, and all other third parties.

This policy also prohibits any form of workplace abuse, including but not limited to, persistent treatment that is humiliating, embarrassing or undignified, or bullying.

Sexual Harassment. One form of unlawful discrimination is sexual harassment. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual

nature constitute sexual harassment when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, or
- Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Conduct prohibited by this policy includes, but is not limited to sexual advances; requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess, sexual preference, or sexual deficiencies; leering, whistling, or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures, including nudity and explicit images; and all inappropriate conduct of a sexual nature, whether it be physical, verbal or visual conduct.

Other Prohibited Harassment. In addition to the Town's prohibition against sexual harassment, harassment on the basis of any other legally protected characteristic is also strictly prohibited. This means that verbal or physical conduct that singles out, denigrates, or shows hostility or aversion toward someone because of race, religion, color, national origin, age, disability, veteran status, gender, sexual orientation, gender identity, citizenship, or any other characteristic protected by law is also prohibited. Prohibited conduct includes, but is not limited to, epithets, slurs and negative stereotyping; threatening, intimidating, or hostile conduct; denigrating jokes and comments; and writings or pictures, that single out, denigrate, or show hostility or aversion toward someone on the basis of a protected characteristic. Conduct, comments, or innuendoes that may be perceived by others as offensive are wholly inappropriate and are strictly prohibited. This policy also prohibits sending, showing, sharing, or distributing in any form, inappropriate jokes, pictures, comics, stories, etc., including but not limited to via facsimile, email, and/or the Internet. Harassment of any nature will not be tolerated.

This policy applies to Town employees, citizens, vendors, and other visitors to the workplace, and applies to social events, off-duty, retreats and travel situations as well.

Mandatory Reporting. The Town requires that employees report all perceived incidents of conduct which violates this Policy, regardless of the offender's identity or position. Any employee who observes or otherwise learns of possible harassment in the workplace, or who feels that he or she has been subjected to conduct prohibited by this policy, must report it immediately to their Department Head, the Human Resources Department, the Town Manager, or any other Department Head.

Any supervisor, manager, or Department Head who becomes aware of possible conduct prohibited by this policy must immediately advise their Department Head and /or the Human Resources Department. A Complaint Form is available from the Human Resources Department.

Under this policy, an employee may report to and/or contact the Human Resources Department directly, without regard to the employee's normal chain of command. Voice messages or emails may be left at any time with the Human Resources Department or the Town Manager.

The Town encourages employees who believe they are being subjected to conduct prohibited by this policy and who feel comfortable doing so, to promptly advise the offender that their behavior is unwelcome and request that it be discontinued. Often this action will resolve the problem.

Investigation. All reports of prohibited conduct will be investigated promptly by management in as confidential a manner as possible. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have other relevant knowledge. All employees are required to cooperate with the investigation.

Retaliation Prohibited. Retaliation against employees who make a good faith charge or report of prohibited conduct or who assist in a complaint investigation is prohibited. Acts of retaliation must be reported immediately as set out above.

Responsive Action. Misconduct involving conduct which violates this policy, including harassment or retaliation will be dealt with appropriately. Discipline, up to and including dismissal, will be imposed upon any employee who is found to have engaged in conduct prohibited by this policy. Likewise, disciplinary action will be imposed in situations where claims of prohibited conduct were fabricated or exaggerated, or when employees are untruthful during an investigation.

POLICY NO. 6.03: DRUG AND ALCOHOL USE

It is the desire of the Town to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their job in a satisfactory and safe manner.

Prohibition Against Alcohol and Illegal and Unauthorized Drugs. While on Town premises, while on duty, while driving a Town-owned or leased vehicle, or while operating or using other Town-owned or leased property or equipment, no employee may use, possess, distribute, sell, or be under the influence of alcohol (except under the limited circumstances described below), inhalants, illegal drugs, including drugs which are legally obtainable, but which were not legally obtained, drugs that include any amount of THC, and prescribed or over-the-counter drugs which are not being used as prescribed or as intended by the manufacturer.

Prohibition Against Illegal and Unauthorized Drug-Related Paraphernalia. This policy also prohibits the use, possession, distribution, and sale of drug-related paraphernalia while on Town premises, while on duty, while conducting Town-related business or other activities off premises, while driving a Town-owned or leased vehicle, or while operating or using other Town-owned or leased property or equipment. Drug-related paraphernalia includes material and/or equipment designed for use in testing, packaging, storing, injecting, ingesting, inhaling or otherwise introducing illegal or unauthorized drugs into the body.

Permissive Use of Prescribed and Over-The-Counter Drugs. The legal use of prescribed and over-the-counter drugs is permitted while on Town premises, while on duty, while conducting

Town-related business or other activities off premises, while driving a Town-owned or leased vehicle, or while operating or using other Town-owned or leased property or equipment only if it does not impair an employee's ability to perform the essential functions of the job (or to operate a vehicle, property or other equipment) effectively and in a safe manner that does not endanger the employee, citizens or other individuals in the workplace. Examples of impairment include, but are not limited to, drowsiness, dizziness, confusion, or feeling shaky.

Fire and Police Department Employees. Certain Fire and Police Department employees may be required to be in possession of alcohol and/or drugs in carrying out their job duties. Such employees will be exempted from certain portions of this policy under certain limited conditions. Additional guidelines may be established by Police and Fire Department operating procedures.

Mandatory Disclosure by Employees. Employees taking prescription medication and/or over-the-counter medication must report such use to either their Department Head or to the Human Resources Department if there is a reasonable likelihood the medication will impair the employee's ability to perform the essential functions of their job (or operate a vehicle, property or other equipment, if applicable) effectively and in a safe manner that does not endanger the employee, citizens, or other individuals in the workplace. Examples of impairment include, but are not limited to, drowsiness, dizziness, confusion, or feeling shaky.

On-Call Employees. Employees scheduled to be on call are expected to be fit for duty upon reporting to work. Any employee scheduled to be on call and who is called out is governed by this policy. Sometimes, an employee who is not scheduled to be on call may nevertheless be called out. If this or any other situation occurs where the employee called out is under the influence of drugs and/or alcohol, such that reporting to work would result in a violation of this policy, the employee must immediately so advise the appropriate supervisor on duty. The employee will not be required to report to work.

Mandatory Reporting of Convictions. Employees must notify their immediate supervisor and the Human Resources Department, in writing, of any arrests/conviction (including a plea of nolo contendere) or deferred adjudication, for a violation occurring off duty and/or in the workplace no later than five calendar days after the arrest and/or conviction.

Off-Duty Conduct. The Town may take disciplinary action, up to and including termination of employment, if an employee's off-duty use of or involvement with drugs or alcohol is damaging to the Town's reputation or business, is inconsistent with the employee's job duties, or when such off-duty use or involvement adversely affects the employee's job performance.

Rehabilitation/Treatment. It is the desire of the Town to extend a program of amnesty to those employees who voluntarily seek assistance for substance abuse problems. Prior to a suspected violation of the Drug/Alcohol policy or a request to be tested, any employee may avail himself/herself of the Employee Amnesty Program. In order to do so, the employee must do the following:

- Communicate to their immediate supervisor, their Department Head, or Human Resources that they are, or may be, suffering from drug, illegal inhalant, or alcohol abuse or addiction;

- Agree and commit in writing to undergo or participate in a program of counseling, treatment or therapy prescribed or recommended by the Employee Assistance Program (Program);
- Execute a release which will authorize any and all doctors, counselors, therapists or other care providers to provide to Human Resources, upon written request, a statement as to whether the employee is fulfilling all the requirements or obligations of their Program, whether the Program has been successfully completed, and whether the employee is released to continue work with the Town; and
- Agree in writing, upon successful completion of the Program, to submit to random or regularly scheduled drug screening, for a period of six months following completion of the Program. This agreement is a condition of continued employment.

So long as the employee is fulfilling all requirements and obligations of the Program, they will not be subject to discipline for violation of the Drug/Alcohol Policy, unless there is information evidencing subsequent violation of substance abuse policy.

An employee who seeks services by a treatment program other than the Town's Employee Assistance Program is encouraged to check with his or her medical carrier to determine the availability and level of coverage for such services. There are a number of drug-alcohol treatment programs available in the Metroplex, with cost dependent upon both the type and amount of care necessary. An employee who wants to know more about the Employee Assistance Program and its services may contact Human Resources or may call the Employee Assistance Program directly.

Policy Violations. Violations of this policy will generally lead to disciplinary action, up to and including immediate termination of employment and/or required participation in a substance abuse rehabilitation or treatment program. The Police and Fire Departments may have stricter disciplinary rules regarding violation of this policy. Employees with questions or concerns about substance dependency or abuse are encouraged to discuss these matters with their supervisor or the Human Resources Department to receive assistance or referrals to appropriate resources in the community.

Drug and Alcohol Testing. The purpose of testing employees and applicants is to reduce substance abuse in the workplace by requiring alcohol and drug testing of safety sensitive employees and those employees holding a Texas Commercial Drivers License (CDL).

Employees classified as being in a "Safety Sensitive" position means a position in which a drug impairment constitutes an immediate and direct threat to public health or safety, such as a position that requires the employee to carry firearms, perform life threatening procedures, work with confidential information or documents pertaining to criminal investigations, or confidential juvenile information, or work with controlled substances; a position in which a drug impairment constitutes an immediate and direct threat to the employee's health or safety; a position in which the employee is responsible for the well-being of another; or a position in which a momentary lapse in attention could result in injury or death to another person.

Types of Tests. Testing may include one or more of the following: urinalysis, hair testing, breathalyzer, or other generally-accepted testing procedure. If capable, the Little Elm Police Department may administer certain tests.

Testing of Applicants. Applicants for Public Safety positions or positions that require driving Town-owned vehicles or equipment, to whom a conditional offer of employment has been made, will be required to submit to testing for alcohol and illegal and unauthorized drugs. A positive test result, refusal to test, or attempts to alter or tamper with a sample or any other part of the test, will render the applicant ineligible for consideration of employment and future employment with the Town.

Testing of Employees. Employees may be tested for alcohol and/or illegal and unauthorized drugs after a workplace injury requiring medical treatment in the judgment of their Department Head or immediate on duty supervisor if after normal hours, or a vehicle accident as defined by [Policy No. 2.10](#). Employees may also be tested if involved in a non-vehicle accident meeting the same criteria stated above. Employees holding safety-sensitive positions and/or holding a CDL license may also be tested at random for alcohol and/or illegal and unauthorized drugs. Mandatory drug testing will not be required for contact with poisonous substance, blood splatter, insect stings, heat exhaustion, and superficial cuts.

Police and Fire Department employees, as well as any other safety sensitive positions, are also subject to any applicable Departmental rules and regulations regarding illegal and unauthorized drug and alcohol testing.

For purposes of this policy, reasonable suspicion is a belief based on articulable observations (e.g., observation of alcohol or drug use, apparent physical state of impairment, incoherent mental state, changes in personal behavior that are otherwise unexplainable, deteriorating work performance that is not attributable to other factors, a work-related accident or injury, evidence of possession of substances or objects which appear to be illegal or unauthorized drugs or drug paraphernalia) sufficient to lead a supervisor to suspect that the employee is under the influence of illegal or unauthorized drugs or alcohol. "Reasonable Suspicion" may also be created when a supervisor or Human Resources receives a report from a source that is deemed credible that an employee is or has used illegal or unauthorized drugs. Supervisors who refer an employee for reasonable suspicion testing must document the specific factors that support reasonable suspicion testing (e.g., the who, what, when, where of the employee's behavior and other symptoms, statements from other employees or third parties, and other evidence supporting the reasonable suspicion testing).

Tests will be paid for by the Town. To the extent possible, testing will normally be done during the employee's normal work time.

Any employee who refuses to be tested, or who attempts to alter or tamper with a sample or any other part of the testing process, will be subject to disciplinary action up to and including termination of employment.

A positive test result is a violation of the Town's Drug and Alcohol Use Policy and may result in disciplinary action up to and including termination of employment. Any employee who is terminated for violation of the Town's Drug and Alcohol Use Policy is ineligible for future employment with the Town.

The Town has additional obligations when testing for controlled substances and alcohol for those

employees regulated by the U.S. Department of Transportation. Please see the Town's Drug and Alcohol Policy for DOT Employees for additional information.

Testing Procedures. All testing must normally be authorized in advance by both the employee's Department Head and the Human Resources Department. If the Department Head is unavailable within a reasonable period of time, the Human Resources Department may, in their sole discretion, authorize the testing of an employee. If the Human Resources Department is unavailable within a reasonable period of time, the Department Head may, in their sole discretion, authorize the testing of an employee. For reasonable suspicion testing, testing may not be authorized without the supervisor's documentation of the articulable factors which led him or her to suspect that the employee is under the influence of illegal or unauthorized drugs or alcohol. Testing should be arranged as soon as possible after the supervisor's articulable observations.

If an employee's conduct resulted in a work place accident, injury, or reasonable suspicion exists to believe that the employee has violated the Town's Drug and Alcohol Use Policy, the employee will be provided with transportation to the testing facility. A supervisor or other designated Town representative will be required to stay with the employee during the testing process. The Town may, in its discretion, reassign the employee or put him or her on administrative leave until the test results are received.

The Town will make arrangements to have the employee transported home after the testing.

All substance abuse testing will be performed by an approved laboratory or healthcare provider chosen by the Town. All positive test results will be subject to confirmation testing.

Test results will be maintained in a confidential file separate and apart from the employee's personnel file. Any medical-related information will be confidential and accessible only by the Human Resources Department; supervisors and managers on a need to know basis, including those who have a need to know about necessary restrictions on the work or duties of an employee and any necessary accommodation; first aid and safety personnel when appropriate; government officials; insurance companies as may be necessary to provide health or life insurance to employees; by court order or as otherwise legally mandated; and as necessary to protect the interests of the Town.

POLICY NO. 6.04: WEAPONS BAN AND VIOLENCE PREVENTION

The Town strives to provide a safe and secure working environment for its employees. This policy is designed to help prevent incidents of violence from occurring in the workplace and to provide for the appropriate response when and if such incidents do occur.

Zero Tolerance. Harassment, intimidation, threats, threatening behavior, violent behavior or acts of violence between employees or such action between an employee and another person that arises from or is in any manner connected to the employee's employment with the Town, whether the conduct occurs on duty or off duty, is prohibited.

Town's Response to Threats or Acts of Violence. The Town will attempt to respond appropriately

to any person who threatens use of force or violence or threatens an unlawful act, exhibits threatening behavior, or engages in violent acts. The Town's response will normally be coordinated by the Human Resources Department, and where applicable, the Town's Police Department or other appropriate law enforcement agency. The Human Resources Department will evaluate the severity of the situation and the need for additional resources (e.g., law enforcement, Emergency Medical Services) to minimize risk and further violence, and will work with the appropriate Department Head(s) in an effort to ensure that appropriate administrative actions are taken. If such conduct occurs on Town property, the offending person will typically be removed from the premises pending the outcome of an investigation. The Town may also suspend and/or terminate the employment relationship, reassign job duties, mandate counseling with a psychologist or other mental health care provider of the Town's choosing, initiate criminal prosecution of the person or persons involved, and/or other actions as determined by the Town to be appropriate under the circumstances.

All Weapons Banned. Unless specifically authorized by the Town Manager, no employee, other than a Town licensed peace officer, shall carry or possess a firearm or other weapon on Town property. The Town prohibits employees from carrying or using any weapons, concealed or otherwise, on Town property, except as specifically authorized by Section 52.061 of the Texas Labor Code. (attached as [Appendix H](#).) Employees, other than licensed peace officers, are also prohibited from carrying a weapon while on duty or at any time while engaging in Town-related business. Prohibited weapons include firearms, clubs, explosive devices, knives with blades exceeding 5 ½ inches, switchblades, etc. This prohibition against the possession or carrying of firearms applies even if the employee is licensed to carry a concealed handgun or to openly carry a handgun by the state of Texas. Employees are permitted to transport and store in a safe and discreet manner a legal firearm and ammunition in a personal vehicle while the vehicle is in the employee parking area. This policy is intended to comply with all applicable state laws concerning employee rights to possess and carry firearms and shall be interpreted and enforced accordingly.

Mandatory Reporting. Each Town employee must immediately notify their supervisor, Department Head, the Human Resources Department and/or the Police Department of any act of violence or of any threat involving a Town employee that the employee has witnessed, received, or has been told that another person has witnessed or received. Even without an actual threat, each Town employee must also report any behavior that the employee regards as threatening or violent when that behavior is job-related or might be carried out on Town property, a Town-controlled site or Town job site, or when that behavior is in any manner connected to Town employment or activity. Each employee is responsible for making this report regardless of the relationship between the individual who initiated the threat or threatening behavior and the person or persons threatened or the target of the threatening behavior. A supervisor who is made aware of such a threat or other conduct must immediately notify their Department Head and the Human Resources Department.

Protective Orders. Employees who apply for or obtain a protective or restraining order which lists Town locations as being protected areas must immediately provide to the Human Resources Department and the Town's Police Department a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which is granted, and a copy of any protective or restraining order which is made permanent. Town employees must immediately advise their Department Head and the Human Resources Department of any

protective or restraining order issued against them.

Confidentiality. To the extent possible, while accomplishing the purposes of this policy, the Town will respect the privacy of reporting employees and will treat information and reports confidentially. Such information will be released or distributed only to appropriate law enforcement personnel, Town management, and others on a need-to-know basis and as may otherwise be required by law.

Town Property. For purposes of this policy, Town property includes but is not limited to owned or leased vehicles, buildings and facilities, entrances, exits, break areas, recreation centers, swimming pools, and parks.

Documentation. When appropriate, threats and incidents of violence will be documented. Documentation will be maintained by the Human Resources Department and/or the Police Department.

Policy Violations. Violations of this policy may lead to disciplinary action, up to and including termination of employment.

POLICY NO. 6.05: TOBACCO POLICY

The use of tobacco products is not permitted in any building or vehicle of the Town. Smoking is permitted outside of buildings in designated areas, but not closer than 30' of any building entrance. No employee shall use tobacco products while making contact with the public. The use of e-cigs shall be restricted to designated smoking areas and shall not be allowed in Town facilities, vehicles, equipment, or other areas where the use of cigarettes and tobacco are prohibited.

POLICY NO. 6.06: POLITICAL ACTIVITY

Town employees will not be appointed or retained on the basis of their political support or activities. Town employees are encouraged to vote and to exercise other prerogatives of citizenship consistent with state and federal law and these policies. Town employees may not:

- Publicly endorse or campaign in any manner for any person seeking a Town public office except as provided by [Texas Local Government Code, Section 180.001](#) and attached hereto as [Appendix I](#).
- Must not engage in political activity while in uniform or on active duty, pursuant to the [Texas Local Government Code, Sections 150.001-.003](#).
- Use their position or office to coerce political support from employees or citizens.
- Use their official authority or influence to interfere with or affect the result of a campaign issue, an election or nomination for public office.
- Make, solicit or receive any contribution to the campaign funds of any candidate, directly or indirectly through an organization or association, for the Town Council or take any part in the management, affairs or political campaign of any such candidate except as permitted by law; provided nothing herein shall infringe upon the

constitutional rights of an employee to express their opinions and to cast their vote.

- Use working hours or Town property to be in any way concerned with soliciting or receiving any subscription, contribution or political service to circulate petitions or campaign literature on behalf of an election issue or candidate for public office in any jurisdiction.
- Contribute money, labor, time or other valuable thing to any person for Town election purposes except as permitted by law.
- Hold an appointive or elective office of public trust where service would constitute a direct conflict of interest with Town employment. An employee who contemplates seeking public office shall consult with the Human Resources Department prior to the filing of an application for the purposes of determining whether a conflict would exist. If a conflict does exist, upon being elected to such an office, an employee must immediately resign or will be terminated upon failure to do so.
- All employees of the Town shall refrain from using their influence publicly in any way regarding any election where an issue or proposal involves only Town employees.

Fire and Police Department Employees. While in uniform or on active duty, employees in the Town's Fire and Police Departments may not engage in a political activity relating to a campaign for an elective office. For purposes of this policy, an employee engages in political activity if the employee:

- Makes a public political speech supporting or opposing a candidate
- Distributes a card or other political literature relating to the campaign of a candidate
- Wears a campaign button
- Circulates or signs a petition for a candidate
- Solicits votes for a candidate, or
- Solicits campaign contributions for a candidate

While out of uniform and not on active duty, employees in the Town's Fire and Police Departments may engage in a political activity relating to a campaign for an elective office, including the activities listed above, except such employees may not solicit campaign contributions for a candidate other than from members of an employee organization to which that person belongs.

Hatch Act. Employees whose position is funded in whole or in part by a federally funded program must also comply with the applicable provisions of the federal Hatch Act.

POLICY NO. 6.07: CONFLICT OF INTEREST

No employee of the Town may:

- Have any financial or other interest, directly or indirectly, in any proposed or existing contract, purchase, work, sale or service to, for, with or by the Town;
- Use Town employment, authority, or influence in any manner for their personal betterment, financial or otherwise;

- Have any financial interest, directly or indirectly, in the sale to the Town of any, materials, supplies or services;
- Have discussions or participate in decisions of any Town agency, board, commission or instrumentality if the employee has any personal economic interest or is employed, directly or indirectly, by the person or entity that is the subject of the discussion or decision, except as noted below;
- Accept other employment or engage in outside activities incompatible with the performance of duties and responsibilities as a Town employee or that might impair independent judgment in the performance of duties to the Town; or
- Accept monetary payment or provide services for compensation, directly or indirectly, to a person or organization requesting an approval, investigation, or determination from the Town.

The “financial or economic interest” contemplated in this policy requires that the employee receive an actual financial benefit from the transaction with the Town. An “actual financial benefit from the transaction” shall not include:

- An ownership in the entity transacting with the Town where the ownership interest is less than one percent (1%).
- Compensation of the employee, officer, or director of the entity transacting with the Town where such compensation is not affected by the entity’s transaction with the Town.
- An investment or ownership in a publicly-held company in an amount less than ten thousand dollars (\$10,000)

An employee who has a prohibited financial interest in any matter pending before the Town shall disclose such interest to the Human Resources Department. This section does not prohibit the Town from proceeding with any transaction where a conflict of interest may exist if upon full disclosure the transaction is in the best interest of the Town and approved by the Town Manager and Town Council.

Violations of this policy may result in disciplinary action up to and including termination of employment. Employees should direct questions regarding the prohibitions imposed by this policy to the Human Resources Department, or the Town Manager’s office.

POLICY NO. 6.08: BEHAVIORAL STANDARDS

It is important that every employee display behavior that is consistent with the Town’s culture of Servant Leadership and Core Values. Servant Leadership is about putting the needs of others before self; it is about serving people. It is about identifying and meeting the needs of customers, enhancing our service to others and contributing to Little Elm being a desirable lakeside destination for all people to live and play while enjoying a safe, vibrant, and welcoming community. To fully live as servant leaders, as individuals and as a Town, we operate under four Core Values that guide our every action and decision. Employees shall be held accountable for displaying behavioral standards consistent with the following values:

Integrity – We are honest, loyal, trustworthy, transparent, fair, and open minded, and have a culture of accountability. We keep our word and admit our mistakes. We stand up for what is right even in the face of a challenge, and do what is right, even if no one notices.

Customer Service – We are respectful, positive, attentive, approachable, responsive, and empathetic. We focus on being able to assist internal and external customers, not simply accommodate them. Whether the answer involves going the extra mile or sometimes even delivering bad news, we are courteous, patient, humble, and professional.

Efficiency – We recognize that we are entrusted with resources ultimately owned by the community, and as stewards of those, are committed to use the minimum resources required to realize the maximum result. We will find the shortest path on a route or in a process, and operate without waste, with proper use of taxpayer dollars, and without compromising quality.

Innovation – We have a willingness to grow, to explore new ideas and to challenge the status quo. We are open to change though we do not seek change unnecessarily. We allow the freedom to try new things, and recognize that through creativity and reasonable risk, we will build a stronger, healthier Town together. We are an organization dedicated to learning and continuous improvement.

POLICY NO. 6.09: RESTRICTIONS ON SOLICITATION, ACCEPTANCE, AND DISTRIBUTION OF CONTRIBUTIONS

The Town recognizes the value of encouraging contributions for the use of Town Departments in order to defer the need to raise taxes and fees to provide necessary municipal services. Private contributions also allow individuals and organizations to take an active role in improving the quality of life and promoting wider enjoyment of community activities and resources. To promote consistent and best practices by all employees and departments, and to ensure compliance with applicable laws and accounting procedures, the following policy and guidelines related to the solicitation, acceptance, and distribution of donated monetary gifts and real or personal property for use by the Town and its Departments:

- Solicitation of voluntary contributions shall not violate the Code of Ethics for employees as stated in Policy No. 1.01 of this Employee Personnel Manual. In addition, no solicitation shall state or imply that a donation will influence or affect how the party is treated by Town officers and employees.
- All fundraising and solicitation efforts shall be consistent with the missions, goals, values and mandates of the Town. Solicitation for business, commercial, or personal reasons by employees not directly related to Town operations is prohibited. All donated funds or property become public property upon acceptance and shall be used or expended for public purposes only.
- All fundraising and solicitation efforts to support Town programs and projects shall be authorized by the Town Manager.
- Following authorization, a department shall obtain written approval of the Chief Financial Officer regarding procedures for the fundraising project. Said approval shall include proper accounting protocols for fundraising revenues and expenditures to be coordinated through the office of the Chief Financial Officer. No department shall be

allowed to maintain a checking or savings account for fundraising activities that is separate from the Town accounting system.

- Employees may solicit donations for qualified nonprofit organizations with written approval from their Department Head or the Town Manager. Said solicitations should not interfere with an employee's job responsibilities.

POLICY NO. 6.10: GIFTS POLICY

The Town strives to treat employees, citizens, and individuals conducting business with the Town in a fair and equitable manner. An employee (and his/her relatives and significant others) may not receive any income or other material gain from anyone outside the Town for services provided by the employee in the performance of his or her job with the Town.

Individual Town employees are prohibited from soliciting, accepting, or agreeing to accept any gift, gratuity, favor, benefit, or anything else of value from any person, organization, or other entity who has done business, is doing business, or seeks to do business, with the Town. However, an employee who accepts the following will not be in violation of this policy:

- An award publicly presented in recognition of public service.
- An occasional meal where public business is accepted.
- Tee-shirts, caps and other similar promotional material.
- Any gift which would have been offered or given to the employee even if the employee were not an employee of the Town.

Routine food coupons, frequent flier awards, discounts, and other promotional items awarded to employees carrying out Town business may be accepted by the employees and will not be considered a violation of this policy due to the administrative difficulty and cost associated with recapturing the discount or award for the Town.

If the item is non-routine, or of a value estimated to be greater than \$50, the employee must check with their Department Head to see if the item should be returned, or in the alternative, turned over to the Town.

Employees may not give their supervisor or anyone else in management any gift or other item of more than \$50 value. If offered, supervisors may not accept such gifts or other items. Giving and accepting cards, food items, (such as cakes and cookies) or token gifts for birthdays, Bosses Day, holiday celebrations, bereavement, or similar events is not a violation of this policy.

POLICY NO. 6.11: CITIZEN COMPLAINTS

Citizens have the right to file complaints against employees. State statutes provide a specific procedure related to police officers and fire fighters for filing this type of complaint. (See [Appendix J](#) – Sections 614.021-023 Texas Local Government Code and [Policy No. 7.01 Employee Conduct](#)). This policy adopts a similar procedure for citizen complaints concerning any other employee.

Minor complaints will be processed through the affected department and their internal operating policies. In each instance, the complainant will be given the opportunity to receive a response regarding the disposition of their complaint.

Major complaints will be processed through the Town Manager. The citizen making the complaint is or will be requested to place their complaint in writing and delivered to the Town Manager. In such instance, the Town Manager will initiate an independent investigation. Results of the investigation will be given to the Department Head of the employee for further action if necessary. The Town Manager will notify the complainant of the disposition of their complaint.

POLICY NO. 6.12: CITIZEN NOTICE OF CLAIM

Citizens have the right to file claims against the Town for injuries or property damage that they may sustain. Examples would include a child injured at a park, a car hitting a pothole, or a vehicular accident involving an employee. Regardless of the circumstance, any employee who is notified in any manner of a citizen who wants to file a claim against the Town needs to obtain that person's contact information and no later than the next business day forward that information to the Human Resources Department. Employees should in no way express an opinion regarding the validity of the claim or who may be at fault.

POLICY NO. 6.13: EMPLOYEE SAFETY DEALING WITH THE PUBLIC

Employees can find themselves in confrontational settings when dealing with citizens which can result in citizen allegations of employee misconduct. As such, all employees should protect themselves whenever possible by either being accompanied by another employee, or documenting the interaction. This would not apply to fire and EMS personnel responding to an emergency call.

POLICY NO. 6.14: SOCIAL MEDIA

Town Administered Social Media. The Town of Little Elm's presence on social media platforms will be administered by the Marketing & Communications department and appointed key communicators identified in the Town's Marketing & Communication Plan.

Under certain circumstances, a Town Department or Division might want to create and maintain a presence on a social media platform. Such a request must come through the Department Head and to the Marketing & Communications Department and then approved by the Town Manager prior to implementation. Sites that violate this policy may be removed at any time.

All social media platform credentials (link, login, and password) will be kept by the Marketing & Communications Department.

Information posted by staff on official Town pages must be factual and cannot impair the public's confidence in the operation of Town government or the performance of the individual employee.

Employees may be given administrative access to Town-administered social media sites only with approval by the Marketing & Communications Department. If an employee with access to any of

the Town-administered sites leaves the organization for any reason, their access to social media platforms will be revoked on the day of separation or upon notification of separation.

Only the Marketing & Communications Department and appointed key communicators are authorized to respond to information about the Town that is posted to sites not maintained by the Town.

Employees who become aware of incorrect, inflammatory, or potentially damaging information about the Town that is posted to a publicly accessible site are encouraged to notify the Marketing & Communications Department.

When responding to material posted on a publicly accessible site, responses cannot impair the public's confidence in the operation of Town government or the performance of the individual employee.

Employee Sites. The Town recognizes that many individual employees use social media sites for their own purposes. Employees may be subject to disciplinary action for internet postings that could impair the public's confidence in the operation of Town government or the performance of the individual employee.

Personal sites may not be designed in such a way as to cause users to believe the site is Town-administered or endorsed by the Town, including unauthorized use of Town logos and trademarks. Connections with Town-administered sites are permitted.

Social Media Code of Conduct. Town Employees shall abide by the following rules of conduct at all times:

- Blogging, or posting information on the internet not relevant to Town business, shall be kept to a minimum and shall not interfere with job duties during work hours.
- Employees must never disclose any proprietary or confidential information concerning the Town of Little Elm or an employee of the Town in a blog or other posting to the Internet, regardless if done before, during or after work hours. Posting of proprietary or confidential information may violate state law and subject the user to criminal penalty.
- Employees must abide by all federal and state laws with regard to information sent through the internet.
- Employees must respect coworkers and the Town. Employees must not put anything on a blog or post any information on the internet that will defame, embarrass, insult, demean or damage the reputation of the Town or any of its employees.
- Employees must not post any pornographic pictures or other pictures of any type that could identify the posting individual as an employee of the Town or any particular Town of Little Elm Department.
- The Town prohibits the unauthorized release or disclosure of any employee information through the Internet or through other means that may be considered private and/or confidential by law.
- The Town prohibits the unauthorized posting of information on the internet that could adversely impact the Town and/or an employee of the Town.
- Employees may not post racist or culturally insensitive material.

- Employees may not post any information that may erode the public's confidence in the organization or any of its employees.

DISCIPLINE

POLICY NO. 7.01: EMPLOYEE CONDUCT AND WORK RULES/DISCIPLINARY ACTION

Grounds for Disciplinary Action. The Town of Little Elm is an at-will employer, i.e. all Town employees serve at the pleasure of the Town Manager (except for those charter officers who serve at the pleasure of the Town Council) and the Town may terminate any employee from service with or without cause. Subject only to any applicable state or federal laws, or specific provisions of a written employment contract approved by Town Council, the Town may discharge any employee with or without cause.

The Town may take disciplinary action, including immediate discharge, against an employee for:

- illegal, unethical, abusive, or unsafe acts;
- violation of Town rules, regulations, policies, or procedures;
- insubordination; inefficiency; poor work performance; neglect or abandonment of duties;
- failure to report overtime worked; working overtime not authorized;
- participation in prohibited political activity or solicitation;
- abuse of illness, injury, disability, or other benefits; tardiness or absence without leave;
- falsification of official documents or records;
- using or being under the influence of drugs or intoxicating beverages while on duty;
- improper use of alcohol or drugs, including positive drug or alcohol tests administered under these rules;
- refusal to undergo a properly ordered drug and/or alcohol test; waste, damage/failure to report damage, or unauthorized use of Town property or supplies;
- unauthorized disclosure of official information not otherwise considered public information;
- unauthorized or improper use of official authority;
- violation of the provisions of the Town Charter,(attached as [Appendix K](#));
- discourtesy to the public or to fellow employees;
- refusal or neglect to pay just debts that reflects negatively upon the Town.
- untruthfulness and/or a failure to cooperate with administrative investigations.
- revocation of driver license that is required by the employee's job duties.
- violation of Social Media Code of Conduct.

Types of Disciplinary Action. Formal disciplinary action taken should be consistent with the nature of the deficiency or infraction involved and the record of employee. Formal disciplinary action includes written reprimand, suspension, and reduction in pay, demotion, and dismissal. Any of the foregoing types of formal disciplinary action may be invoked for a particular deficiency or infraction, depending upon the exact circumstances. An employee may be formally warned

anytime that they may be subject to dismissal or otherwise disciplined for further unsatisfactory performance and/or conduct. Although the appropriate disciplinary action shall be administered based on the severity and unique circumstance surrounding each instance, progressive discipline shall be encouraged in order to coach employees and give the appropriate opportunities for improvement before severe disciplinary action shall occur.

Review by the Human Resources Department. Any disciplinary action in excess of an oral warning must be reviewed by the Human Resources Department prior to it being served to the employee. This applies to both probationary and non-probationary employees.

Written Reprimand. An employee may be reprimanded in writing. The written reprimand shall describe the deficiency or infraction involved and shall state the likely consequences for further unsatisfactory performance and/or conduct. The written reprimand shall be noted in the employee's official personnel file. After the expiration of five years, an employee may request that the Town remove documents relating to minor infractions of Town policy; the Town will consider that request in accordance with its obligations under the Records Retention statutes. "Minor infractions" means tardiness, or other similar minor violations. After consideration of all factors, including the severity and frequency, the Department Head can rescind the discipline and request that the Human Resources Department remove those documents from the personnel file.

Suspension. An employee may be suspended by their Department Head without pay for up to 30 calendar days in one (1) calendar year. A written notice of suspension that describes the deficiency or infraction involved and states the likely consequence of further unsatisfactory performance and/or conduct may be given to the employee. The suspension will be permanently noted in the employee's official personnel file.

Demotion. An employee may be demoted by their Department Head. A written notice of demotion should be given to the employee that describes the deficiency or infraction involved and states the likely consequences of further unsatisfactory performance and/or conduct. The demotion will be permanently noted in the employee's official personnel file, but the employee will not be disqualified from consideration for later advancement.

Notice of Investigation to Police Officers and Fire Fighters. Prior to disciplinary action against a law enforcement officer, peace officer, or a fire fighter employed by the Town based upon receipt of an internal or external complaint, the complaint should be reduced to writing, signed, and provided to the employee. The specific procedure for handling of that complaint is detailed within each department's standard operating policy manual. Texas Government Code Sections 614.021-023 specifies certain related procedures as it applies to peace officer and firefighter personnel; see [Appendix J](#), attached hereto.

Felonies and Misdemeanors. Employees must immediately notify their supervisor and/or Department Head if they are arrested, charged, indicted, convicted, receive deferred adjudication or deferred prosecution, or plead nolo contendere to any misdemeanor or felony. Employees who do not drive as a part of their job duties with the Town are not required to report minor traffic violations. In most instances, the Town will conduct its own investigation and take appropriate action. An employee arrested, charged, or indicted for a felony or misdemeanor, or accused by

information of official misconduct or other serious criminal violation may be placed on administrative leave (with or without pay) until the charge, indictment, or information is dismissed or fully adjudicated without trial, and if tried, until the trial and appeal (if any) are completed and all related administrative matters are concluded. Such a determination will typically be made by the Department Head and the Human Resources Department. An employee on administrative leave may, in the Town's sole discretion, be reinstated to the position held before being placed on administrative leave (if available), if the indictment or information is dismissed, the employee is acquitted, or the conviction is reversed on appeal.

Administrative Leave. During an investigation into alleged offenses or violations of Town policies, the Town may, in its sole discretion, place the employee on administrative leave. The leave may be with or without pay, and may be charged to available accrued leave if authorized by the Town Manager.

TERMINATION OF EMPLOYMENT AND REINSTATEMENT

POLICY NO. 8.01: SEPARATION OF EMPLOYMENT

The Town designates all employee separations as one of the following types:

Resignation. An employee who intends to resign is requested to notify their supervisor, Department Head, and the Human Resources Department in writing at least two weeks prior to the last day of work. Employees who fail to give a two-week notice are typically not eligible for rehire. The supervisor is responsible for immediately notifying the Human Resources Department.

Retirement. An employee who intends to retire must notify their Department Head, supervisor, and the Human Resources Department in writing 45 days prior to the date of retirement. This 45-day requirement is necessary to ensure that the required paperwork is timely submitted to Texas Municipal Retirement System (TMRS).

Dismissal/Termination. The Town may terminate an employee's employment as a result of unsatisfactory performance or conduct and/or violation of Town policies or procedures, including a new hire who fails probation. Town employees who are terminated, or who resign in lieu of termination, are not eligible for rehire.

Dismissal may also occur for the following:

- **Job Abandonment.** If an employee fails to properly notify the Town of their absence from work or if an employee is absent without authorization and/or notification for three or more consecutive days, the Town will normally consider the employee to have abandoned their employment, and they will be terminated.
- **Unauthorized Leave.** Employees failing to report for duty or failure to remain at work as scheduled without proper notification, authorization, or excuse shall be considered to be on unauthorized leave of absence and shall not be in pay status for the time involved. Unauthorized leave of absence constitutes abandonment of duties which may lead to termination of employment.
- **Reductions-in-Force (Layoffs) / Reorganization.** An employee may be separated from Town service when it is deemed necessary by reason of shortage of funds or work, the abolition of the position, or other material change in the duties of the organization, or for other reasons which are outside the employee's control and which do not reflect discredit upon the service of the employee. The order of layoff shall be determined by the current operating needs of the Town, with consideration given to both an employee's length of service and past work performance.
- **Death.** If a Town employee dies, his/her estate will be paid all earned pay and payable benefits.

POLICY NO. 8.02: REINSTATEMENT

Employees, who were laid off, including former temporary employees separated upon completion of duties, may be recalled to work at any time, provided they remain qualified to perform the duties of the position. Reinstated employees are not entitled to any prior seniority or years of service. The Town Manager must approve all reinstated employees before an offer letter is prepared.

Employees who left the Town service in good standing to enter active-duty or for active-duty training with the armed forces of the United States shall be eligible for reinstatement in accordance with applicable state and federal laws.

APPENDIX A

ORDINANCE 15~~91~~⁵⁷ ADOPTING EMPLOYEE POLICY MANUAL

AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS ADOPTING NEW PERSONNEL POLICIES AND REPEALING ALL PRIOR ORDINANCES, RESOLUTIONS, AND COUNCIL ACTIONS RELATED TO SAME; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Little Elm has previously adopted personnel policies; and,

WHEREAS, said policies were adopted at a time when the Town had fewer employees; and,

WHEREAS, new personnel policies are needed to clearly articulate the standards expected of each employee, identify benefits and minimum work requirements, as well as promote the efficiency and productivity in management of Town employees; and,

WHEREAS, Town staff, with the assistance of legal counsel has drafted a new set of personnel policies to meet those requirements; and,

WHEREAS, these policies set forth expectations, but are in no way intended to, or should be construed as, forming a contract. All employees, other than the Town Manager, are employed at-will; and,

WHEREAS, the Town Council desires to repeal all prior adopted personnel policies and, adopt a new set of personnel policies for the benefit of the Town and its employees.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

Section 1. The matters set forth in the preamble are found to be true.

Section 2. The Town Council hereby repeals all previously adopted personnel policies whether adopted by ordinance, resolution or by Council action; and formally adopts the personnel policies attached hereto

Section 3. Future additions and modifications to the new personnel policies will be made by Town Council, either by resolution or ordinance. Said additions or modifications shall be distributed to all employees at the time of their adoption.

Section 4. Interpretations of these personnel policies are left to the discretion of the Town Manager.

Section 5. The new set of personnel policies went into effect January 1, 2020.

PASSED, APPROVED, AND ADOPTED by the Town Council of the Town of Little Elm, Texas on this ~~21st~~-~~19th~~ day of ~~July, 2020~~January, 2021.

APPENDIX B

([Cross-reference Policy No. 1.01](#))

CODE OF ETHICS

Editor's note—Ord. No. 1236, § 2, adopted Sept. 16, 2014, amended art. VI in its entirety to read as herein set out. Former art. VI, §§ 2-191–2-197, pertained to similar subject matter, and derived from: Ord. No. 1088, § 2, adopted Nov. 15, 2011; and Ord. No. 1115, § 2, adopted Oct. 16, 2012.

Sec. 2-191. - Definitions.

For the purposes of this article, the following words and phrases, when used in this article, shall have the meanings ascribed to them, except where the context clearly indicates a different meaning:

Compensation. Any economic benefit received in return for services, property or investment. Discretionary authority. The power to exercise any judgment in a decision or action.

Economic benefit. Economic benefit refers to any money, real or personal property, purchase, sale, lease, contract, option, credit, loan, discount, service or other tangible or intangible thing of value, whether similar or dissimilar to those enumerated.

Employee. Any person employed by the town, including those individuals employed on a Part-Time or seasonal basis, but such term shall not be extended to apply to any independent contractor.

Entity. A sole proprietorship, partnership, limited partnership, firm, corporation, professional corporation, holding company, joint stock company, receivership, trust or any other entity recognized by law through which business may be conducted.

Gift. Gift means a favor, hospitality or economic benefit, other than compensation.

Non-town board, committee or commission. A board, committee, commission or other governing or advisory body or panel of an organization, business entity or governmental entity that is not a town-appointed board, committee or commission. Examples would include, but not be limited to, serving on the board of directors (or similarly-situated governing or advisory body or panel) of a water district, municipal management district, hospital district, regional council of government organization or appraisal district.

Officer or official. Any member of the town council and any town-appointive member of a board, commission, authority or committee set up by ordinance, Town Charter, state law, or otherwise on a temporary or permanent basis, including all members of a board, commission, authority or committee which functions only in an advisory or study capacity and which has no discretionary, governmental, quasi-judicial or administrative authority.

Relative. A relative means any person related to an officer, official or employee within the first degree by consanguinity or affinity and shall include a spouse, father, mother, son, daughter, brother or sister.

Remote interest. An interest of a person or entity, including an official, who or which would be affected in the same way as the general public. By way of example, the interest of a council member in the property tax rate, general town fees, town utility charges or a comprehensive zoning ordinance or other similar decision is a remote interest to the extent that the council member is affected in common with the general public.

Substantial interest. An interest in another person or an entity if:

- (1) The interest is ownership of ten percent or more of the voting stock, shares or equity of the entity of ownership of \$5,000.00 or more of the equity or market value of the entity;
- (2) Funds received by the person from the other person or entity either during the previous 12 months or the previous calendar year equaled or exceeded \$5,000.00 in salary, bonuses, commissions or professional fees or \$20,000.00 in payment for goods, products or non-professional services, or ten percent of the person's gross income during that period, whichever is less;
- (3) The person serves as a corporate officer or member of the board of directors or other governing board of the for-profit entity, other than a corporate entity owned or created by the town council; or
- (4) The person is a creditor, debtor or guarantor of the other person or entity in an amount of \$5,000.00 or more.

Substantial interest in partnerships, professional corporations and other entities. If a town officer, official or employee is a member of a partnership or professional corporation, or conducts business through another entity, a substantial interest of the partnership, professional corporation or entity shall be deemed to be a substantial interest of the town officer, official or employee if:

- (1) The partnership or professional corporation has fewer than 20 partners or shareholders;
- (2) Regardless of the number of partners or shareholders, the officer, official or employee has an equity interest, share of draw equal to or greater than five percent of the capital or revenues of the partnership, professional corporation or other entity; or
- (3) With regard to the partnership, professional corporation or other entity's substantial interest in a particular client, the officer, official or employee has personally acted within the preceding 24 months in a professional or fiduciary capacity for that client.

Substantial interest in real property. An interest in real property which is an equitable or legal ownership with a market value of \$5,000.00 or more.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-192. - Policy and purpose.

- (a) It is hereby declared to be the policy of the town that the proper operation of democratic government requires that:
 - (1) Town officers, officials and employees, including all members of town-appointed boards, commissions and committees, be independent, impartial and responsible only to the people of the town;
 - (2) Governmental decisions and policies be made using the proper procedures of the governmental structure;
 - (3) No Town officer, official or employee, including all members of Town-appointed boards, commissions and committees, have any interest, direct or indirect, nor engage in any business transaction or professional activity nor incur any obligation of any nature which is in conflict with the proper discharge of his or her duties in the public interest;
 - (4) Public office not be used for personal gain; and
 - (5) Town officers, officials and employees fully comply with any federal and state statutes, laws and regulations, as amended, concerning conflicts of interest.

- (b) In furtherance of this policy, the Town Council has hereby determined that it is advisable to enact this code of ethics for all Town officers, officials and employees, whether elected or appointed, advisory or administrative, including all members of Town-appointed boards, commissions and committees, to serve not only as a guide for official conduct of the Town's elected and appointed public servants, but also as a basis for discipline for those who refuse to abide by its terms and provisions.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-193. - Unethical activity.

No officer, official or employee of the Town, including all members of Town-appointed boards, commissions and committees, shall:

- (1) Accept any gift or economic benefit of more than \$50.00 in value from any person or entity which gift or economic benefit might reasonably tend to influence such officer, official or employee in the discharge of official duties, or grant in the discharge of official duties any improper gift, economic benefit, service or thing of value; however, the provisions of this subsection shall not apply to any political contribution made pursuant to the Texas Election Code;
- (2) Use his or her official position to solicit or secure special privileges or exemptions for himself/herself or others;
- (3) Directly or indirectly disclose or use any information gained solely by reason of his or her official position for his or her own personal gain or benefit or for the private interest of others;
- (4) Transact any business on behalf of the Town in his or her official capacity with any business entity of which he or she is an officer, agent or member or in which he or she owns a substantial interest. If such a circumstance should arise, then in the case of an officer or official, he or she shall make known such interest and abstain from voting on the matter, or in the case of an employee, he or she shall turn the matter over to the employee's supervisor for reassignment, state the reasons for doing so and have nothing further to do with the matter involved;
- (5) Engage in any outside activities which will conflict with his or her assigned duties in the Town, or which his or her employment with the town will give him or her an advantage over others engaged in a similar business, vocation or activity;
- (6) Engage in outside activities incompatible with the full and proper discharge of his or her duties and responsibilities with the Town, or which might impair his or her independent judgment in the performance of his or her public duties;
- (7) Receive any fee or compensation for his or her services as an officer, official or employee of the Town from any source other than the Town, except as may otherwise be provided by law. This shall not prohibit an officer, official or employee from performing the same or other services that he or she performs for the Town for a private organization if there is no conflict with his or her own duties and responsibilities;
- (8) Represent, directly or indirectly, or appear on behalf of the private interests of others before any agency, board, commission, authority or committee of the Town, or accept any retainer or compensation that is contingent upon a specific action being taken by the Town or any of its agencies, boards, commissions, authorities or committees, unless such officer, official or employee of the Town has made full disclosure of such representation, retainer or compensation. For purposes of this section, the term "full disclosure" shall mean:

- a. The filing of an affidavit with the Town Secretary describing such representation, retainer or compensation;
 - b. Disclosure, either orally or in writing, to the other members of the Town agency, board, commission, authority or committee;
 - c. Refraining from any other discussion of the matter with other members of the Town agency, board, commission, authority or committee; and
 - d. Refraining from voting on or participating in the consideration of such matter by the Town agency, board, commission, authority or committee.
- (9) Knowingly perform or refuse to perform any act in order to deliberately hinder the execution and implementation of any Town ordinances, rules or regulations or the achievement of official Town programs;
 - (10) Have a substantial interest, direct or indirect, in any contract with the Town or a substantial interest, direct or indirect, in the sale of the Town of any land, rights or interest in any land, materials, supplies or service;
 - (11) Participate in a vote or decision on any matter in which the officer or official has a direct or indirect substantial interest or in which a relative of the officer or official has a direct or indirect substantial interest;
 - (12) Grant any special consideration, treatment or advantage to any individual, business organization or group beyond that which is normally available to every other individual, business organization or group. This shall not prevent the granting of fringe benefits to Town employees as an element of their employment or as an added incentive to the securing or retention of employees;
 - (13) Knowingly disclose information deemed confidential by law; or
 - (14) Participate in any vote or decision relative to any amendment to the Town's comprehensive master plan or any change in the zoning classification of property if the officer, official, employee or a relative of the officer, official or employee has any interest in any property within 200 feet of the property which is the subject of the amendment to the Town's comprehensive master plan or on which the change in zoning classification is proposed. Further, any officer, official or employee who has any such interest in property shall be legally disqualified from participating in any vote or decision relative to the comprehensive master plan amendment or change in zoning classification.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-194. - Disclosure of interest.

Any officer, official or employee of the Town, including all members of Town-appointed boards, commissions and committees, who has a prohibited or substantial interest in any matter pending before the Town shall disclose such interest to other members of the Town Council, committee, commission or board of which he or she is a member, and shall refrain from further discussion of the matter; shall not be physically present when the subject is discussed in open or executive session; and shall not vote on or participate further in any such matter.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-195. - Service on non-Town board, committee or commission expressly allowed with permission.

Any officer, official or employee of the Town, including all members of Town-appointed boards, commissions and committees, may serve on a non-Town board, committee or commission with the express consent of the Town Council and such service shall not be considered prohibited under this code of ethics.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-196. - Penalty.

- a. Any Town officer, official or employee, including all members of Town-appointed boards, commissions and committees, knowingly violating any provision of this code of ethics shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine as provided in section 1-10 of the Town of Little Elm Code of Ordinances.
- b. The penalty prescribed herein shall not limit the power of the town council to discipline its members pursuant to applicable provisions of the Town Charter, this article, state statutes or other laws defining and prohibiting conflicts of interest.
- c. The penalty prescribed herein shall not limit the power of the town manager to discipline those employees under the town manager's supervision pursuant to applicable provisions of the Town Charter, this article, the adopted personnel policies of the town, state statutes or other laws defining and prohibiting conflicts of interest.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-197. - Adoption of state statute.

Chapter 171 of the Texas Local Government Code, as amended, being the statute which regulates conflicts of interest of officers of municipalities in the State of Texas, it is hereby adopted and made a part of this code of ethics for all purposes, with the proviso that in case of a conflict between the provisions of this code of ethics and V.T.C.A., Local Government Code ch. 171, the more restrictive provision shall govern.

(Ord. No. 1236, § 2, 9-16-2014)

Sec. 2-198. - Cumulative legal effect.

In its legal effect, this article is cumulative of all provisions of the Town Charter, the Town of Little Elm Code of Ordinances or federal and state statutes, laws or regulations defining and prohibiting conflicts of interest.

(Ord. No. 1236, § 2, 9-16-2014)

Secs. 2-199—2-220. - Reserved.

APPENDIX C
([Cross-reference Policy No. 4.04](#))

SECTION 142.0013 TEXAS LOCAL GOVERNMENT CODE

Sec. 142.0013. HOURS OF LABOR AND VACATION OF MEMBERS OF FIRE AND POLICE DEPARTMENTS IN CERTAIN MUNICIPALITIES. (a) A member of a fire or police department in a municipality with a population of more than 25,000 may not, except in an emergency, be required to be on duty more than six days in a week.

(b) A member of a fire or police department in a municipality with a population of more than 30,000 is entitled to 15 vacation days each year with pay if the member has been regularly employed in the department or departments for at least one year. The municipal officials supervising the fire and police departments shall designate the days of the week during which a member of a fire department or police department is not required to be on duty and the days during which the member is allowed to be on vacation.

(c) A fire fighter shall be granted the same number of vacation days and holidays, or days in lieu of vacation days or holidays, granted to other municipal employees, at least one of which shall be designated as September 11th.

(d) A police officer shall be granted the same number of vacation days and holidays, or days in lieu of vacation days or holidays, granted to other municipal employees.

Added by Acts 1989, 71st Leg., ch. 1, Sec. 24(a), eff. Aug. 28, 1989.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1287 (H.B. 2113), Sec. 1, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1287 (H.B. 2113), Sec. 2, eff. September 1, 2009.

APPENDIX D
(Cross-reference Policy No. 2.01)

SECTION 142.0015 TEXAS LOCAL GOVERNMENT CODE

Sec. 142.0015. HOURS OF LABOR AND VACATION OF MEMBERS OF FIRE AND POLICE DEPARTMENTS IN MUNICIPALITY WITH POPULATION OF MORE THAN 10,000. (a) This section applies only in a municipality with a population of more than 10,000.

(b) A fire fighter or a member of a fire department who provides emergency medical services, other than the fire chief or the assistant chief or an equivalent classification, and who is required or permitted to work more than the number of hours that bears the same ratio to 212 hours as the number of days in the work period bears to 28 days is considered to have worked overtime. The person is entitled to be compensated for the overtime as provided by Subsection (e).

(c) A member of a fire department who does not fight fires or provide emergency medical services, including a mechanic, clerk, investigator, inspector, fire marshal, fire alarm dispatcher, and maintenance worker, other than the fire chief or the assistant chief or an equivalent classification, and who is required or permitted to average more hours in a week than the number of hours in a normal work week of the majority of the employees of the municipality other than fire fighters, emergency medical service personnel, and police officers, is considered to have worked overtime. The person is entitled to be compensated for the overtime as provided by Subsection (e).

(d) In computing the hours worked in a work week or the average number of hours worked in a work week during a work cycle of a fire fighter or other member of a fire department covered by this section, all hours are counted during which the fire fighter or other member of a fire department is required to remain on call on the employer's premises or so close to the employer's premises that the person cannot use those hours effectively for that person's own purposes. Hours in which the fire fighter or other member of a fire department is required only to leave a telephone number at which that person may be reached or to remain accessible by radio or pager are not counted. In computing the hours in a work week or the average number of hours in a work week during a work cycle of a fire fighter or a member of a fire department who provides emergency medical services, vacation, sick time, holidays, time in lieu of holidays, or compensatory time may be excluded as hours worked.

(e) A fire fighter or other member of a fire department may be required or permitted to work overtime. A fire fighter or other member of a fire department, other than the fire chief or the assistant chief or an equivalent classification, who is required or permitted to work overtime as provided by Subsections (b) and (c) is entitled to be paid overtime for the excess hours worked without regard to the number of hours worked in any one week of the work cycle. Overtime hours are paid at a rate equal to 1-1/2 times the compensation paid to the fire fighter or member of the fire department for regular hours.

(e-1) Notwithstanding Subsection (d), in a municipality with a population of one million or more that has not adopted Chapter 143, for purposes of determining hours worked, including determining hours worked for calculation of overtime under Subsection (e), all hours are counted as hours worked during which the fire fighter or member of the fire department:

(1) is required to remain available for immediate call to duty by continuously remaining in contact with the fire department office by telephone, pager, or radio; or

(2) is taking any authorized leave, including attendance incentive leave, vacation leave, holiday leave, compensatory time off, jury duty, military leave, or leave because of a death in the family.

(f) Except as provided by Subsection (g) or (j), a police officer may not be required to work:

(1) more than 40 hours during a calendar week in a municipality that:

(A) has a population of more than one million;

(B) is not subject to Section 142.0017; and

(C) has not adopted Chapter 174; or

(2) in a municipality not described by Subdivision (1), more hours during a calendar week than the number of hours in the normal work week of the majority of the employees of the municipality other than fire fighters and police officers.

(f-1) In determining whether a police officer is considered to have been required to work overtime for purposes of Subsection (f)(1), all hours are counted during which the police officer:

(1) is required to remain available for immediate call to duty by continuously remaining in contact with a police department office by telephone or by radio;

(2) is taking any authorized leave, including attendance incentive leave, vacation leave, holiday leave, compensatory time off, jury duty, military leave, or leave because of a death in the family; and

(3) is considered to have worked under Subsection (h).

(g) In the event of an emergency, a police officer may be required to work more hours than permitted by Subsection (f). An emergency is an unexpected happening or event or an unforeseen situation or crisis that calls for immediate action and requires the chief or head of the police department to order a police officer to work overtime.

(h) An officer required to work overtime in an emergency is entitled to be compensated for the overtime at a rate equal to 1-1/2 times the compensation paid to the officer for regular hours unless the officer elects, with the approval of the governing body of the municipality, to accept compensatory time equal to 1-1/2 times the number of overtime hours. For purposes of this subsection, compensable hours of work include all hours during which a police officer is:

(1) on duty on the premises of the municipality or at a prescribed workplace or required or permitted to work for the municipality, including preshift and postshift activities that are:

(A) an integral part of the officer's principal activity; or

(B) closely related to the performance of the principal activity; and

(2) away from the premises of the municipality under conditions that are so circumscribed that the officer is restricted from effectively using the time for personal pursuits.

(i) Bona fide meal periods are not counted as hours worked. For a bona fide meal period, which

does not include coffee breaks or time for snacks, a police officer must be completely relieved from duty. Ordinarily, 30 minutes or more is long enough for a bona fide meal period. A period shorter than 30 minutes may be long enough for a bona fide meal period under special conditions. A police officer is not relieved from duty if the officer is required to perform any duties, whether active or inactive, during the meal period.

(j) If a majority of police officers working for a municipality sign a written waiver of the prohibition in Subsection (f), the municipality may adopt a work schedule for police officers requiring a police officer to work more hours than permitted by Subsection (f). The officer is entitled to overtime pay if the officer works more hours during a calendar month than the number of hours in the normal work month of the majority of the employees of the municipality other than fire fighters and police officers.

Added by Acts 1989, 71st Leg., ch. 1, Sec. 24(a), eff. Aug. 28, 1989. Amended by Acts 1993, 73rd Leg., ch. 756, Sec. 1, eff. Sept. 1, 1993.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 80 (H.B. 1562), Sec. 1, eff. May 14, 2007.

Acts 2007, 80th Leg., R.S., Ch. 229 (H.B. 1768), Sec. 1, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1269 (H.B. 1146), Sec. 1, eff. June 19, 2009.

APPENDIX E

[\(Cross-reference Policy No. 4.09\)](#)

FAMILY AND MEDICAL LEAVE ACT

The Town provides leave to eligible employees in accordance with the Family and Medical Leave Act (FMLA). Under the FMLA, eligible employees may take up to 12 weeks of job-protected leave each year for specified family and medical reasons or 26 weeks of leave to care for an injured or ill service member.

1. **FMLA Leave Runs Concurrently With Other Types of Leave.** FMLA leave is typically unpaid unless the absence also qualifies for paid leave under another Town policy.

1.1 **Sick Leave.** If an employee has any available accrued sick leave, it must be used concurrently with any available FMLA leave, provided the employee's absence is covered by the Town's sick leave policy and the employee satisfies that policy's procedural requirements.

1.2 **Vacation, Comp Time, Personal Leave, Shift Swap & Holiday.** If an FMLA-qualifying absence is not covered by the Town's sick leave policy, the following leave time will be applied and will run concurrently with any remaining FMLA leave: accrued vacation, comp time, personal leave, shift swap, and then holiday leave.

1.3 **Disability & Workers' Comp Leave.** If the employee is approved for workers' comp or short-term or long-term disability, the employee's absence from work is automatically approved for FMLA, provided he/she has met the FMLA's eligibility requirements. This means that workers' comp and short- and long-term disability absences will run concurrently with FMLA leave. Employees being paid either workers' comp salary benefits or short- or long- term disability benefits while on leave are not required to use accrued sick, personal, holiday, comp time or vacation leave while collecting workers' comp or disability benefits.

2. **Employee Eligibility.** To be eligible for FMLA leave, an employee must:

- Have worked for the Town for at least 12 months (need not necessarily be consecutive 12 months); and
- Have worked for the Town at least 1,250 hours during the 12 months before the start of the leave.

3. **Qualifying Reasons for Leave.** FMLA leave may only be taken for qualifying events and is limited to the time periods set out below.

3.1 **Twelve Weeks of Leave.** Eligible employees may take up to 12 weeks of FMLA leave in a single 12-month period (the Town uses a rolling 12-month period measured backward) for one or more of the following reasons:

- When the employee is unable to perform the functions of his/her job because

of his/her own serious health condition;

- For the birth or placement of a child for adoption or foster care. FMLA leave for birth or placement for adoption or foster care must conclude within 12 months of the birth or placement. In addition, if an employee and the employee's spouse are both employed by the Town, both are jointly entitled to a combined total of 12 work weeks of family leave for the birth or placement of a child for adoption or foster care, or to care for a parent (but not a parent-in-law) who has a serious health condition;
- To care for a spouse, child, or parent with a serious health condition; or
- A qualifying exigency arising out of the fact that the employee's spouse, child, or parent is a covered military member on active duty (or has been notified of an impending call or order to active duty) in support of a contingency operation.

3.2 Twenty-Six Weeks of Leave. Eligible employees may take up to 26 weeks of FMLA leave in a single 12-month period to care for a covered service member (i.e., the employee's spouse, child, parent, or next of kin) with a serious injury or illness incurred in the line of duty while on active duty in the Armed Forces. If an employee and the employee's spouse are both employed by the Town, both are jointly entitled to a combined total of 26 work weeks of leave during a single 12-month period.

3.3 Maximum Amount of Leave. The maximum amount of FMLA leave available is 12 weeks during a 12-month period or 26 weeks in a single 12-month period to care for an injured or ill service member even if there are multiple FMLA qualifying events.

4. Employee's Notification Responsibilities. Employees must give the Town sufficient information so that it can make a determination as to whether the employee's absence is FMLA-qualifying. If an employee fails to explain the reasons, leave may be denied. Employees must also indicate on their time records when an absence or tardy is or may be covered by FMLA. Any absence or illness that results in more than three days' absence must be reported to the FMLA Coordinator in the Town's Human Resources Department.

4.1 At Least 30 Days Notice Required for Foreseeable Leave. Employees must provide their Department Head or the Human Resources Department with at least 30 days' advance notice when the need for FMLA leave is foreseeable.

4.2 Notice as Soon as Practicable for Unforeseeable or Emergency Leave. If the need for FMLA leave is not foreseeable, employees must provide their Department Head or the Human Resources Department with as much advance notice as practicable, in accordance with their Department's normal call-in procedures. The employee must also provide an explanation as to why he/she was unable to provide at least 30 days' advance notice of the need for leave.

4.3 Content of Notice. Employees must provide the Town with at least verbal notice and explain the reasons for the needed leave sufficient to allow the Town to determine if the absence is FMLA-qualifying, and the anticipated timing and duration of the leave, if known. If the employee has previously taken FMLA leave for the same reason, he/she must specifically reference the qualifying reason for leave or the need for FMLA leave. The Town may seek additional information from the employee, and the employee is obligated to respond to the Town's questions so the Town can determine if an absence is potentially FMLA-qualifying. The employee must notify the Town as soon as practicable if the dates of his/her scheduled leave change or are extended, or where initially unknown.

4.4 Compliance With Town's Call-In Procedures. Employees must comply with their Department's normal call-in procedures for reporting absences, tardiness and requesting leave, e.g., contacting a specific supervisor by a certain time. Notice may be given by the employee's spokesperson only if the employee is physically unable to do so personally. Where an employee does not comply with the Town's and Department's normal call-in procedures and no unusual circumstances justify the failure to comply, FMLA-protected leave may be delayed or denied.

4.5 Consequences for Failing to Provide Required Notice. If the employee fails to timely explain the reasons for his/her need for leave, FMLA leave may be denied or delayed for up to 30 days. The employee may also be subject to disciplinary action in accordance with Town policy. Likewise, if an employee fails to respond to the Town's reasonable inquiries regarding a leave request, the employee may not be granted FMLA leave protection.

4.6 Scheduling Planned Medical Treatment. When an employee intends to take leave for planned medical treatment for him/herself or for his/her spouse, child or parent, the employee is ordinarily expected to consult with his/her supervisor and try to schedule the treatment so as not to disrupt unduly the Town's operations, subject to the approval of the treating health care provider. This should be done prior to the scheduling of treatment in order to work out a treatment schedule which best suits the needs of both the employee and the Town.

4.7 Periodic Check-In While on FMLA. Employees must check in periodically with their supervisor and with the Human Resources Department regarding their status and intent to return to work. If the employee discovers that the amount of leave originally anticipated is no longer necessary, the employee must provide the Town with reasonable notice (i.e., within two business days) of the changed circumstances if foreseeable.

5. Town's Responsibilities.

5.1 Human Resources Department. The Human Resources Department is responsible for the verification, approval and notification of FMLA leave. The Human Resources Department may place an employee on FMLA leave if it determines that a

qualifying event has occurred.

a. Eligibility Notice. The Human Resources Department will notify an employee of his/her eligibility to take FMLA within five business days (absent extenuating circumstances) of its receipt of the employee's request for FMLA leave (or from when the Town otherwise determines that an employee's absence may be FMLA-qualifying). Employee eligibility is determined (and notice will be provided) at the commencement of the first instance of leave for each FMLA-qualifying reason in the applicable 12- month period. Notification may be oral or in writing, but the Town will normally use FMLA Form #1 to provide the employee with Eligibility Notice. If an employee's eligibility status changes, the Human Resources Department will so notify the employee within five business days, absent extenuating circumstances.

b. Rights & Responsibilities Notice. The Human Resources Department will provide employees with a notice (FMLA Form #1) detailing the Town's specific expectations, the employee's obligations, and consequences to the employee of not meeting his/her obligations. The Human Resources Department will provide this notice each time it provides the Eligibility Notice described above. The required certification form will accompany this notice. If any of the specific information in the Rights & Responsibilities Notice changes, the Human Resources Department will notify the employee within five business days of its receipt of the employee's first notice of need for leave subsequent to any change.

c. Designation Notice. When the Human Resources Department has enough information to determine if an absence is FMLA-qualifying (e.g., after receiving the employee's fully completed Certification), the Human Resources Department will notify the employee in writing (FMLA Form #2) as to whether the leave will or will not be designated as FMLA. This Designation Notice will be given to the employee within five business days, absent extenuating circumstances. If the information in the Designation Notice changes, the Human Resources Department will notify the employee within five business days of the Town's receipt of the employee's first notice of need for leave subsequent to any change.

d. Certification Forms & Other Required Documentation. The Human Resources Department is responsible for determining the completeness and authenticity of certification forms, fitness-for-duty/return to work certifications, and for review and coordination of all other FMLA documentation required by this policy.

e. If the Town becomes aware that an employee's absence is FMLA-qualifying, it may designate the absence as FMLA-protected, even in the absence of an employee request.

5.2 Supervisors & Department Heads. So that the Human Resources Department can meet the notice deadlines required by the FMLA, supervisors must immediately notify both their Department Head and the Human Resources Department if they have reason to believe an employee's absence is due to an FMLA-covered reason. Supervisors must make this report even if the employee is using paid time off to cover the absence, *e.g.*, sick leave, comp time, vacation, holiday, workers' comp, short- or long-term disability, or a trade with another employee. Supervisors and Department Heads must report to Human Resources any time an employee misses work for more than three days because of his/her own illness or injury or that of a spouse, child or parent. Supervisors, it is important to remember that under the FMLA, an employee requesting paid or unpaid leave for an absence covered by the FMLA is not required to expressly mention FMLA. If the employee states a reason that qualifies for FMLA leave, the employee will likely have met the FMLA's notice requirements. When an employee submits a leave/absence from indicating an FMLA absence, the form must be sent to the Human Resources Department immediately.

6. Medical Certifications and Other Required Documentation. In all instances in which the Town requests a certification from an employee, it is the employee's responsibility to provide the Human Resources Department with a complete and sufficient certification; failure to do so may result in the denial or delay of FMLA leave.

6.1 Certification. An employee must provide the Human Resources Department with a complete and sufficient medical certification supporting the need for FMLA leave due to a serious health condition affecting the employee (FMLA Form #3), his/her spouse, child or parent (FMLA Form #4), or due to the serious injury or illness of a covered service member (FMLA Form #5). The required medical certification forms are available from the Human Resources Department. The certification must set forth the beginning and expected ending dates of the leave. In the case of intermittent leave, the certification must also provide the dates and duration of the treatments necessitating the intermittent leave. The employee is responsible for any expenses associated with providing the Town with a required certification. The employee must turn in the required certification to the Human Resources Department within 15 days after it is requested, unless not practicable under the circumstances.

6.2 Second & Third Opinions. In some cases, the Town may require a second or third medical opinion (at the Town's expense). The Town will not require second or third opinions in the case of leave to care for a covered service member.

6.3 Recertification. Employees may be asked to periodically recertify the need for FMLA.

The Town will not, however, require second or third opinions in the case of leave to care for a covered service member. The recertification must be provided within 15 days or as soon as practicable under the particular facts and circumstances. The employee is responsible for any expenses associated with providing the Town with any required

recertification.

- a. **30-day rule.** The Town will request recertification no more than every 30 days and only in connection with an absence by the employee unless paragraphs b or c below applies.
- b. **More than 30 days.** If the certification indicates that the minimum duration of the condition is more than 30 days, the Town will wait until that minimum duration expires before requiring a recertification, unless paragraph c below applies. If the minimum duration of a serious health condition extends beyond six months, the Town may nevertheless request a recertification every six months in connection with an employee's absence.
- c. **Less than 30 days.** The Town may request recertification in less than 30 days if the employee requests an extension of leave, circumstances described by the previous certification have changed significantly (e.g., the duration or frequency of the absence, the nature or severity of the illness, complications, a pattern of unscheduled absences), or the Town receives information that casts doubt upon the employee's stated reason for the absence or the continuing validity of the certification.
- d. **Annual Medical Certifications.** If a serious health condition lasts beyond a single leave year, the Town may require the employee to provide a new medical certification in each subsequent leave year.

6.4 Fitness-for-Duty/Return to Work Certification. Employees must submit a "fitness- for-duty" certification before they can return to work if FMLA leave is a result of the employee's own serious health condition, and it will be stated in the Designation Notice. (The Town may provide an FMLA form for this purpose.) The fitness for duty/return to work certification must specifically address the employee's ability to perform his/her essential job functions set out in the Town's Designation Notice and attached job description, but is limited to the particular health condition that caused the employee's need for FMLA leave. The employee is responsible for any expenses associated with providing the Town with a required fitness for duty/return to work certification and is not entitled to be paid for the time or travel costs spent in acquiring the certification. The Human Resources Department (or other DOL authorized person) may contact the employee's health care provider for purposes of clarifying and authenticating the fitness-for-duty/return to work certification; the Town will not delay the employee's return to work while such contact with the health care provider is being made. The Town will not require second or third opinions of fitness-for-duty certifications. An employee who fails to timely provide the Town with this certification will not be allowed to return to work; an employee who does not provide the required fitness-for-duty certification or request additional FMLA leave is no longer entitled to reinstatement and may be terminated.

While the Town will not require a fitness-for-duty certification to return to duty for each

absence taken on intermittent or reduced leave schedule, it will require such a certification up to once every 30 days if reasonable safety concerns (i.e., a reasonable belief of significant risk of harm to the employee or others) exist as to the employee's ability to perform his/her duties, based on the serious health condition for which the employee took leave.

6.5 Failure to Provide Certifications & Deficient Certifications. If an employee fails to provide a required certification within 15 days after the Town requests it, the Town may deny leave until the certification is provided. If the employee never produces the certification or recertification, the employee is not eligible for FMLA protections. If the certification is incomplete or insufficient, the Human Resources Department will notify the employee, in writing, and advise the employee what additional information is required. The Town will provide the employee with seven additional days to cure any deficiency. If the deficiencies are not cured with the seven-day deadline, the Town may deny the taking of FMLA leave. The Human Resources Department (or other DOL authorized person) may contact the health care provider for purposes of clarification and authentication after giving the employee the opportunity to cure any deficiencies.

6.6 Documenting Family Relationships. If an employee elects to take FMLA leave in order to care for a qualifying family member or to care for a covered service member, the employee may be required to provide reasonable documentation confirming the family relationship.

7. Certifications for Qualified Exigency Leave.

7.1 Active Duty Orders. The first time an employee requests leave because of a qualifying exigency arising out of the active duty or call to active duty status of a covered military member, the employee must provide a copy of the covered military member's active duty orders or other documentation issued by the military which indicates that the covered military member is on active duty or call to active duty status in support of a contingency operation, and the dates of the active duty service.

7.2 Certification Form. The employee must complete and submit to the Human Resources Department the appropriate certification form (FMLA Form #6) in support of his/her need for leave. This form must usually be turned in within 15 days after the Town requests it.

7.3 Verification. If the qualifying exigency involves meeting with a third party, the Human Resources Department (or other DOL authorized person) may contact the individual or entity with whom the employee is meeting for purposes of verifying a meeting or appointment, and the nature of the meeting. The Town may also contact an appropriate unit of the Department of Defense to request verification of active duty or call to active duty status.

7.4 Denial or Delay of Leave. Exigency leave may be delayed or denied if the employee fails to turn in the required certification within 15 days. If the certification is incomplete or insufficient, the Human Resources Department will notify the employee, in writing, and advise the employee what additional information is required. The Town will provide the employee with seven additional days to cure any deficiency. If deficiencies are not cured with the seven- day deadline, the Town may deny the taking of FMLA leave.

8. Intermittent & Reduced Leave Schedule. An eligible employee may take FMLA leave on an intermittent or reduced schedule basis only if medically necessary, because of a qualifying exigency, for planned medical treatment, or as otherwise approved by the Department Head.

8.1 Notice. The employee must inform the Town of the reasons why the intermittent or reduced leave schedule is medically necessary and of the schedule for treatment if necessary.

8.2 Scheduling Planned Medical Treatment. When an employee intends to take leave for planned medical treatment for him/herself or for his/her spouse, child or parent, the employee is ordinarily expected to consult with his/her supervisor and try to schedule the treatment so as not to disrupt unduly the Town's operations, subject to the approval of the treating health care provider. This should be done prior to the scheduling of treatment in order to work out a treatment schedule which best suits the needs of the both the employee and the Town.

8.3 Temporary Transfer. The Town may temporarily transfer the employee to an alternative position (with equivalent pay and benefits, but not necessarily equivalent duties) in order to better accommodate an employee's intermittent or reduced leave schedule.

8.4 Minimum Increments. Intermittent leave will be counted in increments no greater than the shortest period of time used by the Town to account for use of other types of leave, up to a maximum increment of one hour.

8.5 Exempt Employees. Exempt employees using unpaid intermittent or reduced schedule FMLA leave may be docked for absences of less than a day without jeopardizing their exempt status under the Fair Labor Standards Act (FLSA). This special exception to the "salary basis" requirement for the FLSA's exemptions extends only to an eligible employee's use of leave required by the FMLA.

9. Benefits During FMLA Leave.

9.1 Group Health Insurance. During any period of FMLA leave, the Town will continue to pay its portion, if any, of any group health insurance coverage for the employee on the same terms as if the employee had continued to work. Where

applicable, the employee must timely pay his or her share of health insurance premiums while on FMLA leave. The Town will advise the employee of the terms and conditions for making such payments. Failure to pay premiums in a timely manner will result in cancellation of group health coverage. The Town may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FMLA leave, unless the employee is unable to return due to a serious health condition, the serious injury or illness of a covered service member, or another reason beyond the employee's control. Medical certification is required under such circumstances.

9.2 Other Benefits. The employee's use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of the employee's leave, and seniority will not be affected. However, benefit accruals, such as vacation and sick leave, will be suspended during any unpaid leave.

9.3 Holidays. When an employee takes a full work week of FMLA leave and a holiday occurs within the week, the week is counted as a full week of FMLA leave. If, however, an employee uses FMLA in increments of less than a week, the intervening holiday does not count against the employee's FMLA entitlement unless the employee was otherwise scheduled and expected to work on the holiday.

9.4 TMRS. Employee contributions to TMRS may be made on a voluntary basis through a special arrangement with the Town while an employee is in a leave without pay status. It is the employee's responsibility to initiate such an arrangement by timely contacting the Town's Human Resources Department and completing the necessary paperwork.

10. Job Restoration After FMLA Leave. Upon return from FMLA leave, an employee will normally be restored to his/her original job or to an equivalent job with equivalent pay, benefits, and other terms and conditions. An employee, however, has no greater right to reinstatement than if he/she had been continuously employed during the period of FMLA leave. Further, the Town may delay restoration to employees who fail to timely provide a fitness-for-duty certification to return to work.

10.1 Key Employees. Under certain circumstances the Town is not required to reinstate "key" employees. Certain highly compensated key employees may be denied reinstatement when necessary to prevent "substantial and grievous economic injury" to the Town's operations. A "key" employee is a salaried eligible employee who is among the highest paid 10 percent of employees within 75 miles of the worksite. An employee will be notified of his/her status as a key employee, when applicable, after requesting FMLA leave.

11. Other Employment During FMLA Prohibited. Under no circumstances may an employee on FMLA leave, sick leave, disability leave, or workers' compensation leave engage in outside employment unless expressly authorized in writing in advance by the Department Head and Town Manager.

12. Fraud. An employee who fraudulently obtains FMLA leave is not protected by the FMLA's job restoration or maintenance of health benefits provisions. Further, an employee who commits fraud will likely be terminated from Town employment.

13. FMLA Statute and DOL Regulations. More detailed provisions and definitions of some of the terms used in this policy are set out in the Act and in the DOL's regulations. This policy is intended to explain benefits available to eligible employees under the FMLA. It is not intended to create any rights to leave beyond those created by the FMLA. If additional information is needed on the FMLA, please contact the Human Resources Department. The Town will refer to the Act and the applicable DOL regulations in carrying out this policy, as well as any relevant court interpretations and decisions. This policy does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement, which provides greater family or medical leave rights. When an employee gives notice of the need for FMLA leave, the employee will be given additional information as to his/her rights and responsibilities under the FMLA. In addition, employees may contact the nearest office of the U.S. Department of Labor's Wage & Hour Division or the Department of Labor's website for more information.

14. Mandatory Reporting of Improper Handling of FMLA. Employees must immediately report, in writing, to their Department Head or the Human Resources Department, the following so that the Town can investigate and respond appropriately:

- Any interference with, restraint or denial of the employee's right to take FMLA or any rights protected by the FMLA or this policy.
- Any discrimination or perceived acts of discrimination against the employee for any right protected by the FMLA or this policy.
- Any refusal by a supervisor to authorize FMLA leave, or attempt to discourage an employee from taking FMLA leave.
- Any attempt to avoid the Town's FMLA responsibilities.
- Discrimination or retaliation against an employee for exercising or attempting to exercise FMLA rights.
- Discrimination or retaliation against an employee for opposing or complaining about any unlawful practice under the Act or this policy

15. Definitions. More detailed definitions of some of the terms used in this policy are set out in the Act and in the DOL's regulations.

15.1 12-Month Period for Covered Service Members. The 12-month leave period for calculating leave to care for a covered service member with a serious injury or illness is the 12-month period measured forward from the date an employee's first FMLA leave to care for the covered service member begins. During this 12-month period, the maximum FMLA leave an employee may take – for any qualifying reason – is limited to a combined total of 26 weeks.

15.2 12-Month Period for All Other FMLA Leave. To determine eligibility for all other leave, the Town uses a rolling 12-month period measured backward from the date of any FMLA leave.

15.3 Health Care Provider (HCP). Means a doctor of medicine or osteopathy who is authorized to practice medicine or surgery (as appropriate) by the State in which the doctor practices; or any other person determined by the Secretary of Labor to be capable of providing health care services.

15.4 Next of Kin of a Covered Service Member. Means the nearest blood relative other than the covered service member's spouse, parent, or child in the priority established by the DOL.

15.5 Incapacity. Means the inability to work, attend school, or perform other regular daily activities.

15.6 Serious Health Condition. For purposes of this policy, a "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves:

15.6.1. Inpatient care. An overnight stay in a hospital, hospice, or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care; or

15.6.2. Continuing treatment by a health care provider (HCP). Includes one or more of the following:

- a. Incapacity & Treatment.** A period of incapacity of more than three consecutive, full calendar days, and any subsequent treatment or period of incapacity relating to the same condition that also involves treatment: (i) two or more times (within 30 days of the first day of incapacity, unless extenuating circumstances exist), by a HCP or under direct supervision of, under orders of, or on referral by, a HCP, or (ii) by a HCP on at least one occasion which results in a regimen of continuing treatment under supervision of the HCP. The first (or only) in-person treatment visit must take place within 7 days of the first day of incapacity.
- b. Pregnancy & Prenatal care.** Any period of incapacity due to pregnancy, or for prenatal care;
- c. Chronic Conditions.** Any period of incapacity or treatment for such incapacity due to a chronic serious health condition which (i) requires periodic visits (at least twice a year) for treatment by, or under the direct supervision of a HCP, or (ii) continues over an extended period of time (including recurring episodes of a single underlying condition); and (iii)

may cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.);

- d. **Permanent or Long-Term Conditions.** A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, or the terminal stages of a disease);
- e. **Conditions Requiring Multiple Treatments.** Any period of absence to receive multiple treatments (including any period of recovery there from) by, or under the supervision of, under orders of, or on referral by, a HCP either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive, full calendar days in the absence of medical intervention or treatment (e.g., chemo or radiation for cancer, physical therapy for severe arthritis, or dialysis for kidney disease).

Unless complications arise, the common cold, the flu, earaches, upset stomach, minor ulcers; headaches (other than migraines), routine dental or orthodontia problems, and periodontal disease are not serious health conditions. In addition, routine physicals, eye examinations, and dental examinations are not considered treatment.

15.7 Qualifying Exigency. This term includes issues arising from short-term deployments of seven or less calendar days prior to the date of the deployment; military events and related activities such as official ceremonies and programs sponsored by the military and to attend family support or assistance programs and informational briefings; childcare and school activities; financial and legal arrangements; counseling; rest and recuperations; post- deployment activities; and additional activities arising out of the covered military member's active duty or call to active duty status if the employee and the Town agree that such leave qualifies as an exigency, and agree to both the timing and duration of the leave.

APPENDIX F
([Cross-reference Policy No. 5.13](#))

TUITION REIMBURSEMENT PROGRAM

The Town of Little Elm offers an educational assistance program to regular Full-Time employees under Section 127 of the Internal Revenue Code (IRC 127), which covers employer-provided education assistance programs. Under IRC 127 an employer may exclude qualified expenses from an employee's gross income, up to a maximum dollar amount per calendar year. This plan is for exclusive benefit of employees of the Town of Little Elm to provide such employees with educational assistance. The purpose of the educational assistance program is to broaden the knowledge of employees in their fields and/or to provide an avenue for career development. The Human Resources Director will administer the program and review all reimbursement applications. This program is contingent upon annual appropriation of funds and is subject to change at any time.

Tuition reimbursement is limited to annual budgetary appropriation. Applications will be accepted on a first come first serve basis and will be granted up until the budgetary appropriation is expended. If there are any additional applications that were not funded due the appropriation being expended, those employee names will be placed at the top of list to apply for reimbursement for their next classes.

1. Eligibility Requirements

This program is available to employees who wish to voluntarily pursue educational advancement. It does not cover professional licensing and professional development seminars. Any course, training, licensing or certification that is required by the Town may be covered where budgeted in the department's professional development funds. All regular (completed and signed off probationary period), Full-Time (40 hour per week) employees are eligible for the tuition reimbursement program.

All courses reimbursed under this program must be taken on the employee's own time. When there is a conflict between classes and the employee's job responsibilities, the job responsibility must come first.

Employees must attain a course grade equivalent to a "C" or better ("pass" in pass/fail) in each course to be eligible for reimbursement. Reimbursement will not be provided for classes not completed successfully.

2. Reimbursement

In order to be eligible for reimbursement, the employee must obtain a tuition reimbursement packet from the Human Resources Department. If this is the first time applying, the employee must submit a degree plan along with the Tuition Reimbursement Program Application. Applications will not be accepted unless the employee has submitted an individualized degree plan. All levels of approval must be

obtained prior to the first day of class. Within forty-five (45) calendar days of successful completion of the course or courses, the employee must present grade transcripts and paid receipts reflecting amounts paid. The Town will reimburse up to fifty percent (50%) of tuition and required fees not to exceed that which would be payable at University of North Texas resident tuition. A grade of C or better is required to qualify for reimbursement. Maximum benefit any employee can receive from this program is \$3000 per fiscal year.

3. **Repayment Obligations**

If an employee who has received a tuition reimbursement terminates Town employment within 12 months from the date the course work is completed, the amount of tuition reimbursement received shall be repaid in a single payment to the Town which may be withheld from the employee's final paycheck.

If a separation of service or termination of employment occurs (voluntary or involuntary) and a repayment amount is owed by the employee, and the employee does not otherwise repay the amount, the employee agrees to have the repayment amount deducted from the employee's paychecks that are issued after the termination decision occurs.

4. **Application Procedures**

1. Obtain a tuition reimbursement packet from the Human Resources Department.
2. Fill out the *Tuition Reimbursement Program Application* form and obtain any required approvals.
3. Attach a school-approved degree plan for degree program reimbursement categories. ***If this is the first term in a new degree plan, you must submit the degree plan with your application.*** If an individualized plan cannot be submitted, you must submit a recommended plan (i.e., course catalog recommendations) or a letter of approval from the school stating that the courses you have chosen will fulfill requirements under your plan. Applications requesting reimbursement for upper level courses will not be considered unless you have submitted an individualized degree plan.
4. Attach a copy of the tuition receipt, a copy of the school's current tuition schedule, and your current class schedule to the application.
5. You must turn in the completed application form and all required attachments to the Human Resources Department **prior** to the class start date. **Incomplete applications and applications received late will not be approved.**
6. The request will be approved or denied by the Human Resource Director. You will receive a memo notifying you of the status of your request within 30 days of receipt of your application.

After Course Completion

7. To be considered for reimbursement, the employee must submit an official grade report within 45 days of the last day of class. Alternate methods of grade verification may be submitted along with the *Grade Verification* form. Confirmation by any acceptable means other than an official grade report will allow the employee to receive a reimbursement funds as soon as possible, however an official grade report must be submitted to Human Resources before subsequent courses will be reimbursed.
8. The *Tuition Reimbursement Service Agreement* form must be signed at or before reimbursement. **Requests for reimbursement received more than 45 days after the last day of class, and those without an application on file will not be honored.**

It is your responsibility to complete all of the required forms and to provide all information necessary for each application. It is also your responsibility to submit this information in a timely manner to receive consideration, both by the Department Director and the Human Resources Director.

5. Special Considerations

- a. The Town will not pay the cost of tuition and mandatory fees which are paid in full or part by other sources, such as scholarships, grants, and veterans' programs, U.S. Military Reserve, Peace Officer and Firefighter exemptions, aid programs or other subsidies.
- b. Paying overtime to the employee, or to another employee, in order to accommodate courses is not permitted for the purposes of this program.

Reminder: It is your responsibility to complete all steps of the process within the specified deadlines. This includes Department Director approval and the time constraints placed on the Initial Application and on the deadline for submission of an official grade report. The Human Resources Department will not be responsible for notifying the employee of deadline dates. Any required documentation or forms not submitted within the stipulated time frame will not be reimbursed.

Town of Little Elm
Tuition Reimbursement Program Application

Name: _____
Last First Middle
Address: _____
Street City State Zip Phone
Employee Info: _____
Date of Hire Position Title Department

College Tuition -- Degree Program
____ 1. Associate Degree
____ 2. Bachelor Degree
____ 3. Master Degree
____ 4. Doctoral Degree

Do you have a current degree plan on file with the Human Resources Department? Yes _____ No _____
Are all courses for which you are requesting reimbursement on your current degree plan? Yes _____ No _____

*If you are applying under a degree program, **you must have a current degree plan on file.** If your degree plan changes, you must submit a new degree plan. If an individualized plan cannot be submitted, you must submit a recommended plan (i.e., course catalog recommendations) or a letter of approval from the school stating that the courses you have chosen fall under your plan.*

Tuition reimbursement is offered for both undergraduate and graduate courses that are related to the employee's job, or is in preparation for promotion to an applicable position within the Town. Please explain how these courses are applicable:

School and Course Information

School Name: _____
Address: _____
Street City State Zip Phone

Course Info: _____
(attach schedule) Course # Course Name Start Date # Credit Hours

Course # Course Name Start Date # Credit Hours

Course # Course Name Start Date # Credit Hours

Tuition Information: _____
Cost Required Fees Total Cost (attach receipt)
Have you attached a copy of your itemized tuition receipt, current tuition schedule, and class schedule? Yes _____ No _____
Are any of your courses offered **only** during your scheduled work hours? Yes _____ No _____

Will you receive financial assistance for your courses from other sources? Yes _____ No _____ If yes, please specify
the source(s): _____ Amount: _____

I hereby certify that the information provided in this application is accurate. I understand that reimbursement is subject to the terms and conditions of the Town of Little Elm Tuition Reimbursement Program.

Applicant Signature _____ Date _____

	Approved:	Disapproved:	Date:
Department Director:			
Director of Human Resources:			

Town of Little Elm Tuition Reimbursement Grade Verification*

Name: _____
Last First Middle

Date Course(s) Completed: _____
Date Term/Year

_____ Attached is the official grade report

_____ Attached is alternate documentation to verify grades by means other than an official grade report, or,

_____ The employee has met with a Human Resources Director to verify grades by means other than an official grade report.

Documentation Source: _____

****Please note:*** Confirmation by any acceptable means other than an official grade report will allow the employee to receive a reimbursement check as soon as possible, however an official grade report must be submitted to Human Resources as documentation before a subsequent course will be reimbursed.

Employee Signature Print Name Date

Human Resources Verification _____
Signature

APPENDIX G
([Cross-reference Policy No. 5.14](#))

Education, Certification, and Specialty Pay

It is the policy of the Town to encourage its employees to participate in advanced training. Additional training is important to the employees and is an overall benefit to the operation of the Town. Levels of training and certification for that training should be recognized. It is the intent of this policy to formally establish criteria by which compensation for certificates may be given. Education and certification pay shall be available to Full-Time employees and must not be a minimum requirement for their position, but may be listed as preferred. Employees who are selected to be a member of a specialized unit are eligible for specialty pay.

Total of all certification(s), academic degree(s) and professional registration shall not exceed \$250.00 per month.

Education

Associates	\$50
Bachelors	\$100
Masters	\$150

Certification – Fire

Intermediate	\$25
Advanced	\$50
Master	\$75
Pumps/Opt	\$25
Fire Officer I	\$25
Fire Officer II	\$25
Fire Instructor	\$25
Investigator	\$25
Inspector	\$25
EMS Instructor	\$25

Certification – Police

Intermediate	\$50
Advanced	\$100
Master	\$150
Bilingual – Written	\$100
Bilingual – Spoken	\$25
Accident Investigator	\$100
Crime Investigator	\$100
Detectives – Plain Clothes Clothing Allowance	\$50

Specialty

SWAT	\$25
Hostage Negotiation	\$25
Accident Reconstruction	\$25

APPENDIX H
([Cross-reference Policy No. 6.04](#))

Chapter 52 Sec. 52.061 TEXAS LABOR CODE

SUBCHAPTER G. RESTRICTIONS ON PROHIBITING EMPLOYEE TRANSPORTATION OR STORAGE OF CERTAIN FIREARMS OR AMMUNITION

Sec. 52.061. RESTRICTION ON PROHIBITING EMPLOYEE ACCESS TO OR STORAGE OF FIREARM OR AMMUNITION. A public or private employer may not prohibit an employee who holds a license to carry a handgun under Subchapter H, Chapter 411, Government Code, who otherwise lawfully possesses a firearm, or who lawfully possesses ammunition from transporting or storing a firearm or ammunition the employee is authorized by law to possess in a locked, privately owned motor vehicle in a parking lot, parking garage, or other parking area the employer provides for employees.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1058 (S.B. 321), Sec. 1, eff. September 1, 2011.

Amended by: Acts 2015, 84th Leg., R.S., Ch. 437 (H.B. 910), Sec. 30, eff. January 1, 2016.

Sec. 52.062. EXCEPTIONS. (a) Section 52.061 does not:

(1) Authorize a person who holds a license to carry a handgun under Subchapter H, Chapter 411, Government Code, who otherwise lawfully possesses a firearm, or who lawfully possesses ammunition to possess a firearm or ammunition on any property where the possession of a firearm or ammunition is prohibited by state or federal law; or

(2) Apply to:

(A) A vehicle owned or leased by a public or private employer and used by an employee in the course and scope of the employee's employment, unless the employee is required to transport or store a firearm in the official discharge of the employee's duties;

(B) A school district;

(C) An open-enrollment charter school, as defined by Section 5.001, Education Code;

(D) A private school, as defined by Section 22.081, Education Code;

(E) Property owned or controlled by a person, other than the employer, that is subject to a valid, unexpired oil, gas, or other mineral lease that contains a provision prohibiting the possession of firearms on the property; or

(F) Property owned or leased by a chemical manufacturer or oil and gas refiner with an air authorization under Chapter 382, Health and Safety Code, and on which the primary business conducted is the manufacture, use, storage, or transportation of hazardous, combustible, or explosive materials, except in regard to an employee who holds a license to carry a handgun under Subchapter H, Chapter 411, Government Code, and who stores a firearm or ammunition the employee is authorized by law to possess in a locked, privately owned motor vehicle in a parking lot, parking garage, or other parking area the employer

provides for employees that is outside of a secured and restricted area:

- (i) That contains the physical plant;
- (ii) That is not open to the public; and
- (iii) The ingress into which is constantly monitored by security personnel.

(b) Section 52.061 does not prohibit an employer from prohibiting an employee who holds a license to carry a handgun under Subchapter H, Chapter 411, Government Code, or who otherwise lawfully possesses a firearm, from possessing a firearm the employee is otherwise authorized by law to possess on the premises of the employer's business. In this subsection, "premises" has the meaning assigned by Section 46.035(f)(3), Penal Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1058 (S.B. 321), Sec. 1, eff. September 1, 2011.

Amended by: Acts 2015, 84th Leg., R.S., Ch. 437 (H.B. 910), Sec. 30, eff. January 1, 2016.

APPENDIX I
([Cross-reference Policy No. 6.06](#))

SECTION 180.001 TEXAS LOCAL GOVERNMENT CODE

Section 180.001

- (a) An individual commits an offense if the individual coerces a police officer or a fire fighter to participate or to refrain from participating in a political campaign.
- (b) An offense under this section is a misdemeanor and is punishable by a fine of not less than \$500 or more than \$2,000, confinement in the county jail for not more than two years, or both a fine and confinement.

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

APPENDIX J
[\(Cross-reference Policy No. 6.11\)](#)

SECTIONS 614.021-023 TEXAS GOVERNMENT CODE

Sec. 614.021. APPLICABILITY OF SUBCHAPTER. (a) Except as provided by Subsection (b), this subchapter applies only to a complaint against:

- (1) A law enforcement officer of the State of Texas, including an officer of the Department of Public Safety or of the Texas Alcoholic Beverage Commission;
- (2) A fire fighter who is employed by this state or a political subdivision of this state;
- (3) A peace officer under Article 2.12, Code of Criminal Procedure, or other law who is appointed or employed by a political subdivision of this state; or
- (4) A detention officer or county jailer who is appointed or employed by a political subdivision of this state.

(b) This subchapter does not apply to a peace officer or fire fighter appointed or employed by a political subdivision that is covered by a meet and confer or collective bargaining agreement under Chapter 143 or 174, Local Government Code, if that agreement includes provisions relating to the investigation of, and disciplinary action resulting from, a complaint against a peace officer or fire fighter, as applicable.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Amended by: Acts 2005, 79th Leg., Ch. 507 (H.B. 639), Sec. 1, eff. September 1, 2005.

Sec. 614.022. COMPLAINT TO BE IN WRITING AND SIGNED BY COMPLAINANT. To be considered by the head of a state agency or by the head of a fire department or local law enforcement agency, the complaint must be:

- (1) In writing; and
- (2) Signed by the person making the complaint.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Amended by: Acts 2005, 79th Leg., Ch. 507 (H.B. 639), Sec. 1, eff. September 1, 2005.

Sec. 614.023. COPY OF COMPLAINT TO BE GIVEN TO OFFICER OR EMPLOYEE. (a) A copy of a signed complaint against a law enforcement officer of this state or a fire fighter, detention officer, county jailer, or peace officer appointed or employed by a political subdivision of this state shall be given to the officer or employee within a reasonable time after the complaint is filed.

(b) Disciplinary action may not be taken against the officer or employee unless a copy of the signed complaint is given to the officer or employee.

(c) In addition to the requirement of Subsection (b), the officer or employee may not be indefinitely suspended or terminated from employment based on the subject matter of the complaint unless:

(1) The complaint is investigated; and

(2) There is evidence to prove the allegation of misconduct.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Amended by: Acts 2005, 79th Leg., Ch. 507 (H.B. 639), Sec. 1, eff. September 1, 2005.

APPENDIX K
([Cross-reference Policy No. 7.01](#))

TOWN CHARTER

CHAPTER ONE
INCORPORATION AND BOUNDARIES

SECTION 1.01 INCORPORATION

All inhabitants of the Town of Little Elm, Denton County, Texas, as the boundaries and limits of said Town have heretofore been established and now exist, or may hereafter be established, shall constitute a municipal body politic incorporated under and known by the name “Town of Little Elm” with such powers, rights, duties, privileges, and immunities as are herein provided.

SECTION 1.02 BOUNDARIES AND LIMITS

The boundaries and limits of the Town of Little Elm shall be those as established and described in ordinances duly passed by the Town Council of the Town of Little Elm in accordance with state law. The Town Secretary shall at all times keep a correct and complete description and official map of the Town’s boundaries on file, with recent annexations and disannexations being shown on said map.

SECTION 1.03 ANNEXATIONS AND DISANNEXATIONS

The Town may from time to time alter its boundaries by annexing or disannexing territory in any size or shape desired in any manner provided by state law, with or without consent of the owners of such territory or the inhabitants thereof. Any additional territory annexed to the Town shall be a part of the Town for all purposes, and the property situated therein shall bear its pro rata part of the taxes levied by the Town as provided by state law. The inhabitants thereof shall be entitled to all rights and privileges of all citizens and shall be bound by the acts, ordinances, and resolutions of the Town. Whenever, in the opinion of the Town Council, there exists within the corporate limits of the Town any territory, either inhabited or uninhabited, not suitable or necessary for Town purposes, or upon a petition signed by a majority of the qualified voters residing in said inhabited territory, the Council may, upon a public hearing and by ordinance duly passed, discontinue said territory as part of the Town. The Town shall comply with all applicable procedural rules and notice requirements set forth in state law.

CHAPTER TWO

FORM OF GOVERNMENT AND POWERS

SECTION 2.01 FORM OF GOVERNMENT

Municipal government for the Town of Little Elm shall be a “council-manager government.” Except as otherwise provided by this Charter and the Constitution and laws of the State of Texas, all powers conferred on the Town shall be exercised by a Town Council to be composed of a Mayor and six (6) Council Members in places 1, 2, 3, 4, 5 and 6 elected by qualified voters for a term of three (3) years, with the exception of Council Members in places 2, 3, 4 and 5, which shall be elected by the qualified voters of each of the respective Council districts as provided for in Chapter 3. The Mayor and Council Members in places 1 and 6 shall be elected by the qualified voters of the Town at-large. Beginning with the election in May, 2020, place 1 shall be for a term of two (2) years until the election in May, 2022, after which time place 1 shall be for a term of three (3) years from that election going forward. Beginning with the election in May, 2021, place 5 shall be for a term of two (2) years until the election in May, 2023, after which time place 5 shall be for a term of three (3) years from that election going forward.

SECTION 2.02 POWERS OF THE TOWN

The Town of Little Elm shall be a Home Rule Town under the Constitution and laws of the State of Texas and shall have all powers, functions, rights, privileges and immunities of every kind and nature granted to a Home Rule Town under Article XI, Section 5, of the Constitution of the State of Texas, known as the Home Rule Amendment, and all other laws passed by the Legislature of the State of Texas relating thereto, or which may hereafter be passed by said Legislature in relation to such matters including, but not limited to, the following powers:

- (1) To assess, levy, and collect taxes for general and special purposes on all lawful subjects of taxation.
- (2) To fix and regulate the rates of gas, water, electricity, and other utilities, and to regulate and fix the fares, tolls, and charges of local telephones and exchanges, public carriers and motor vehicles where they are transporting passengers, freight or baggage, and generally to fix and regulate the rates, tolls, or charges and the kind of service of all public utilities of every kind, unless otherwise required by state law.
- (3) To sue and be sued, to contract and be contracted with, to buy, sell, lease, mortgage, hold, manage, and control such property as its interests require.
- (4) To make and enforce all police, health, sanitary and other regulations, and pass such ordinances as may be expedient for maintaining and promoting the peace, good government and welfare of the Town, for the performance of the functions thereof, for the order and security of its inhabitants, and to protect the peace, lives, health, and property of such inhabitants, and to provide suitable penalties for the violation of any ordinance enacted by the Town.
- (5) To borrow money on the faith and credit of the Town by the issue or sale of bonds, warrants, certificates of obligation, notes or other securities authorized by the laws of

the State of Texas.

- (6) To acquire, by purchase, gift or devise, or by the exercise of the right of condemnation, and own, in fee simple or otherwise, either public or private property located inside or outside of the corporate limits of the Town, for the extension, improvement and enlargement of its waterworks system, including riparian rights, water supply reservoirs, stand pipes, watersheds, dams, the laying, building, maintenance and construction of water mains, rights-of-way in connection therewith, and the laying, erection, establishment or maintenance of any necessary appurtenance or facilities which will furnish to the inhabitants of the Town an abundant supply of wholesome water; for sewerage plants and systems; right-of-way for water and sewer lines; parks, playgrounds, fire stations, police stations, incinerators or other garbage disposal plants; streets, boulevards, and alleys or other public ways; municipal buildings, garages and parking facilities, or any rights-of-way needed in connection with any property used for any purpose hereinabove named; for the straightening or improving of the channel of any stream, branch or drain or for any other municipal purpose.
- (7) To institute and prosecute suits without giving security therefore, and appeal from judgments of the courts without giving supersedeas or cost bonds, other bonds or security whatever.
- (8) To have the exclusive right to erect, own, maintain and operate a waterworks and sanitary system for the use of said Town and its inhabitants and to regulate the same, including the right to prescribe rates for water and sanitary sewer services, and to make such rules and regulations as the Town Council may deem expedient, including the power to extend water and sanitary sewer lines and assess a portion or all of the cost therefore and affix a lien against the property and the owner thereof, and do anything whatsoever necessary to operate and maintain said waterworks and to compel the owners of all property and the agents of such owners to pay all charges for water and sanitary sewer services furnished.
- (9) To acquire property within or without its boundaries or within boundaries of other municipalities for any public purpose, in fee simple or lesser interest or estate, by purchase, gift, devise, lease or condemnation when necessary or desirable to carry out any of the powers conferred upon it by this Charter or by the Constitution and the laws of the State of Texas.
- (10) To lay out, open, close, establish, alter, widen, lower, extend, grade, supervise, maintain, and improve streets, alleys, and parks, and to regulate the use thereof and require removal of all obstructions or encroachments of every nature and character upon said public streets, sidewalks or other public property.
- (11) To create offices, determine the method for selection of officers, and prescribe the qualifications, duties, and tenure of office for officers.
- (12) To appropriate the money of the Town for all lawful purposes to create, provide for, construct, regulate and maintain public works, public improvements of any nature, economic development and to furnish municipal services as may be provided by resolution or ordinance of the Town Council, or as required by law.

SECTION 2.03 POWERS - GENERAL

The enumeration of particular powers in the Charter shall not be held or deemed to be exclusive, but in addition to the powers enumerated herein, implied thereby or appropriate to the exercise thereof, the Town shall have and may exercise all other powers that exist now or may be granted to municipalities by the Constitution and laws of the State of Texas, together with all of the implied powers necessary to carry into execution such powers.

CHAPTER THREE

TOWN COUNCIL

SECTION 3.01 MAYOR

The person elected Mayor shall be the presiding officer of all meetings of the Town Council. The Mayor shall be the official head of the Town government and be able to vote on all matters coming before the Council.

SECTION 3.02 QUALIFICATIONS

Each candidate for election to the Town Council or office of Mayor shall be a qualified voter of the Town, shall be not less than twenty-one (21) years of age, shall have resided in the Town not less than twelve (12) months immediately preceding election day, shall meet the requirements of the Texas Election Code, and shall not, after notice of any delinquency, be in arrears in the payment of any taxes or other liabilities due the Town. Each Council Member and the Mayor must continually reside within the Town during such officer's term of office, and any removal of the officer's residence from the Town during his or her term of office shall constitute a vacation of his or her office, and such vacancy shall be filled as provided in Section 3.05.

Candidates for Mayor and Council Members in Place 1 and Place 6 may be residents of any portion of the Town. Council Members for Place 2, 3, 4 and 5 must reside in, and be elected from the district for which the specific place applies. The Town Council, by ordinance, shall establish the district boundaries for Place 2, 3, 4 and 5. The district boundaries shall be equal in population as practical and reviewed and updated by the Town Council every four (4) years.

SECTION 3.03 LIMITATION ON SUCCESSIVE TERMS

No person shall serve as Mayor for more than three (3) successive terms, and no person shall serve as Council Member for more than three (3) successive terms. A term of office shall be for a period of three (2) years or any portion thereof.

SECTION 3.04 COMPENSATION

Members of the Town Council shall be entitled to reimbursement of all necessary and reasonable expenses incurred in the performance of their official Town Council duties as may be authorized by the Town Council. The Mayor and each Council Member shall receive compensation in the amount of \$25.00 for each regular or special meeting of the Town Council attended.

SECTION 3.05 VACANCIES IN THE TOWN COUNCIL; FILLING OF VACANCIES

- A. The office of a Council Member or office of the Mayor shall become vacant upon the official's death, resignation, or removal from office in any manner authorized by law, removal of the official's residence from the Town of Little Elm or forfeiture of the official's office.
- B. A Council Member or the Mayor shall forfeit his or her office if the official lacks at any time during the official's term of office any qualification for the office prescribed by this Charter or by State law, or if the official violates any express prohibition of this section or any other provision of this Charter, or if the official fails to attend three (3) consecutive regular Town Council meetings without being excused by the Town Council. The Town Council shall be the final judge in matters involving forfeiture of office by a Council Member or the Mayor.
- C. If there is a vacancy in the office of Mayor or Council Member, such vacancy shall be filled by special election within one hundred twenty (120) days after such vacancy occurs, in accordance with the Texas Constitution, and the Texas Election Code, as amended.

SECTION 3.06 MEETINGS; QUORUM

Regular meetings of the Town Council shall be held at such times as may be prescribed from time to time by resolution of the Town Council. Special meetings shall be called by the Town Secretary upon the written request of the Mayor, the Town Manager or two (2) Members of the Town Council. Notice of any regular or special meetings of the Town Council shall state the subject to be considered at the meeting. All official meetings of the Council and of all committees thereof shall be open to the public except as provided by state law. Those meetings involving an attorney and client relationship, and other matters that state law has provided may be discussed in closed session, need not be open to the public. Four (4) Members of the Town Council shall constitute a quorum for the purpose of transaction of business. No action of the Town Council, except as specifically provided in this Charter, shall be valid or binding unless adopted by the affirmative vote of a majority of the Town Council present and qualified to act. The Town Council shall determine its own rules of procedure, may punish its Members for misconduct, and may compel the attendance of absent Members. Should any number of Members of the Town Council be recalled pursuant to Chapter 13 of this Charter, and are no longer qualified to act, a majority of the remaining Members of the Town Council shall constitute a quorum for the purpose of transaction of business.

SECTION 3.07 ABSTENTION

Should any person on the Town Council choose to abstain from voting on any question before the Town Council, where no conflict of interest exists, the person's vote shall have the same effect as a negative vote.

SECTION 3.08 MAYOR PRO TEM

The Town Council shall elect one of its Members as Mayor Pro Tem, who shall perform the duties of Mayor in the case of the absence or inability of the Mayor to perform the duties of the Mayor's office, and who shall, during that time, be vested with all the powers belonging to the Mayor.

CHAPTER FOUR **TOWN MANAGER**

SECTION 4.01 TOWN MANAGER - QUALIFICATIONS, APPOINTMENT AND REMOVAL; DUTIES; COMPENSATION

The Town Manager shall be the chief administrative and executive officer of the Town. The Town Manager is appointed by and serves at the will of the Town Council. The Town Manager shall be appointed solely on the basis of the Town Manager's administrative ability, experience, and training. The Town Manager shall administer the business of the Town, and the Town Council shall ensure that such administration is efficient. The Town Council may by ordinance delegate to the Town Manager any additional powers or duties it considers proper for the efficient administration of Town affairs. The Town Manager shall execute a bond conditioned that the Town Manager will faithfully perform the duties of Town Manager. The amount of such bond shall be as prescribed by ordinance adopted by the Town Council. The Town Council shall be authorized to enter into a Contract of Employment with the Town Manager and to prescribe such compensation therein as it may fix. The action of the Town Council in suspending or removing the Town Manager shall be final, it being the intention of this Charter to vest all authority and responsibility for such suspension or removal in the Town Council.

SECTION 4.02 TOWN MANAGER - DIRECTION AND SUPERVISION OF EMPLOYEES, NONINTERFERENCE BY COUNCIL; APPOINTMENTS AND REMOVALS OF DEPARTMENT HEADS

Except for the purpose of inquiries and investigations as provided by this Charter or otherwise by law, the Town Council or its Members shall deal with Town officers and employees who are subject to the direction and supervision of the Town Manager solely through the Town Manager, and no Member of the Town Council shall give orders to any subordinate of the Town Manager, either publicly or privately. Neither the Town Council nor any of its Members shall direct or request the appointment of any person to, or his or her removal from, office by the Town Manager or by any of the Town Manager's subordinates. Except as otherwise provided for in this Charter, the Town Manager shall be responsible for, and have the power to appoint, suspend, and/or remove all or any one of the directors of the departments of the Town with the concurrence of the Town Council.

SECTION 4.03 TOWN MANAGER - SPECIFIC POWERS AND DUTIES

The Town Manager shall be responsible to the Town Council for the proper administration of the affairs of the Town and shall have the power and duty to:

- 1) Exercise control over all departments and subdivisions thereof created by this Charter or by ordinance.
- 2) Prepare and recommend items for inclusion in the official agenda of all Town

Council meetings and meetings of the Boards and Commissions as established by this Charter or ordinance.

- 3) Prepare and submit to the Town Council the annual budget and capital program, and administer the budget as adopted by the Town Council.
- 4) Be responsible for the proper administration of all Town affairs placed in his or her hands.
- 5) See that all terms and conditions imposed in favor of the Town or its inhabitants in any public utility franchise are faithfully kept and performed.
- 6) See that all laws and ordinances are enforced.
- 7) Keep the Town Council at all times fully advised as to the financial condition and needs of the Town, and prepare and submit to the Town Council an annual report on the finances and administrative activities of the Town.
- 8) Appoint, suspend, and/or remove employees not otherwise provided for in this Charter. Appointments made by the Town Manager shall be on the basis of executive and administrative experience and ability, and of training fitness and efficiency of such appointees in the work which they are to administer.
- 9) Attend all Town Council meetings and take part in the discussion of any Town business.
- 10) Recommend to the Town Council for adoption such measures as the Town Manager may deem necessary or expedient; to execute deeds, deeds of trust, easements, releases, contracts, and all other legal instruments on behalf of the Town when authorized by ordinance or resolution of the Town Council.
- 11) Perform such other duties as are specified in this Charter, or as may be required by the Town Council by ordinance or resolution, not inconsistent with this Charter.

CHAPTER FIVE

TOWN SECRETARY

SECTION 5.01 APPOINTMENT; REMOVAL; COMPENSATION

The Town Council shall appoint, suspend, and/or remove the Town Secretary. The Town Secretary shall receive such compensation as shall be fixed by the Town Council.

SECTION 5.02 DUTIES OF THE TOWN SECRETARY

The Town Secretary shall:

- 1) Attend all meetings of the Town Council and keep accurate records of all actions taken by the Council;
- 2) Maintain the official records and files of the Town;
- 3) Administer oaths as required by law;
- 4) Attest contracts, assessment certificates, ordinances, resolutions, and other legal instruments when executed by the authorized officers of the Town;
- 5) Serve as the election official for all Town elections;
- 6) Hold and maintain the Town Seal and affix it to all appropriate documents as required;
- 7) Perform such other duties as may be required by the Town Council, this Charter, or the laws of the State of Texas.

CHAPTER SIX

MUNICIPAL COURT

SECTION 6.01 CREATION

The Town Council shall, by ordinance, create and provide for a Municipal Court to be known as the Municipal Court of the Town of Little Elm, Texas, and may appoint one or more Municipal Judges to serve in such Court. The Court shall have all the powers and duties as are now or as may hereafter be prescribed by the laws of the State of Texas in connection with the trial of misdemeanor offenses within its jurisdiction.

SECTION 6.02 MUNICIPAL COURT JUDGE

The Judge of the Municipal Court, and all alternates, shall be competent, duly qualified, and licensed attorneys in the State of Texas. The Judge of the Municipal Court shall be appointed to a term of two years and may be appointed to additional and consecutive terms at the will and pleasure of the Town Council. The Judge shall receive such compensation as may be determined by the Town Council. This compensation shall be fixed, and be commensurate with the duties

performed by the Judge.

SECTION 6.03 CLERK OF THE COURT

There shall be a Clerk of the Municipal Court appointed by the Town Manager. The Clerk of the Court and any Deputies appointed by the Town Manager shall have the power to administer oaths and affidavits, make certificates, affix the seal of said Court as necessary and as required by law, and in general, do and perform any and all acts usual and necessary to be performed by clerks and deputy clerks of municipal courts of the State of Texas.

SECTION 6.04 JURISDICTION, POWER, AND FINES

The Municipal Court shall have jurisdiction:

- 1) Over the forfeiture and collection of bonds given in proceedings therein, and to order the forfeiture of cash acceptance bonds upon the failure of the defendant to appear, and to accept the same in lieu of a fine;
- 2) Concurrent with the appropriate state Court on all criminal cases arising under the criminal laws of the state where the offense is committed within the Town limits and the penalty does not exceed that which is established for Municipal Courts by state law;
- 3) Over all criminal cases arising under the ordinances of the Town within the Town limits and outside the Town limits to the extent authorized by state law;
- 4) Punish for contempt, admit to bail, and forfeit bonds under such circumstances and as provided by law;
- 5) Enforce all process of the Courts in accordance with state law and Town ordinances, punish witnesses for failing to obey subpoenas, and compel their attendance by process of attachment.

SECTION 6.05 COST, FINES, AND PENALTIES

All cost, fines, and penalties imposed by the Municipal Court shall be paid into the Town Treasury for the use and benefit of the Town, as may be consistent with present and future state laws.

CHAPTER SEVEN

TOWN ATTORNEY

SECTION 7.01 APPOINTMENT

The Town Council shall appoint a competent licensed attorney, practicing law in the State of Texas, of recognized ability who shall be known as the Town Attorney. The Town Attorney serves at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of a majority of the full membership of the Town Council.

SECTION 7.02 COMPENSATION

The Town Attorney shall receive for his or her services such compensation as may be fixed by the Town Council at the time of the Town Attorney's appointment, and from time to time by appropriate resolution.

SECTION 7.03 DUTIES OF TOWN ATTORNEY

The Town Attorney shall be the legal adviser of, and attorney for, all of the offices and departments of the Town, and shall represent the Town in all litigation and legal proceedings, provided however, that the Town Council may retain special counsel at any time it deems appropriate and necessary. The Town Attorney shall perform other duties prescribed by the Charter, by ordinance or resolution of the Town Council.

CHAPTER EIGHT

TOWN DEPARTMENTS AND FISCAL MATTERS

SECTION 8.01 ADMINISTRATIVE DEPARTMENTS

There shall be such administrative departments as are established by this Charter and as may be established by ordinance and, except as otherwise provided in this Charter, such administrative departments shall be under the direction and supervision of the Town Manager. The Town Council may discontinue, re-designate, or combine any of the department and/or administrative offices of the Town. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over that director's department. The same individual may head two (2) or more departments, and the Town Manager may head one (1) or more departments.

SECTION 8.02 POLICE AND FIRE DEPARTMENTS

There is hereby created a Police Department of the Town of Little Elm, at the head of which shall be the Chief of Police. There is hereby created a Fire Department of the Town of Little Elm, at the head of which shall be a Fire Chief. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over the director's department. The duties of the Chief of Police and Fire Chief and the other officers and personnel of such departments shall be as provided by ordinance.

SECTION 8.03 TAX ADMINISTRATION

- A. There shall be a department of taxation to assess and collect taxes, the director of which shall be the Town Tax Assessor and Collector who shall be appointed by the Town Manager with concurrence of the Town Council. The Tax Assessor and Collector shall provide a bond with such sureties and in such amount as the Council may require, and the premiums on such bond shall be paid by the Town. The Town Council may provide for such services by contract.
- B. The Town Council shall have the power, and is hereby authorized to levy, assess, and collect annual taxes not to exceed the maximum limit set by the Constitution

and laws of the State of Texas, as they now exist or as they may be amended, on each one hundred dollars (\$100.00) assessed valuation of all property having a location within the corporate limits of the Town and not exempt from taxation by the Constitution and laws of the State of Texas.

- C. All taxes due the Town shall be payable at the office of the Town Assessor and Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which completion and approval shall be not later than October 1. Taxes shall be paid before February 1 of each year succeeding the year for which the taxes are levied, and all such taxes not paid prior to such date shall be deemed delinquent and shall be subject to such penalty and interest as may be provided by law. Failure to levy and assess taxes through omission in preparation of the approved tax rolls shall not relieve the person, firm or corporation so omitted from the obligation to pay such current or past due taxes shown to be payable by recheck of the rolls and receipts for the years in questions, unless otherwise provided by law.
- D. All property having its location in the Town on the first day of January of each year shall stand charged with a lien in favor of the Town from said date for the taxes due thereon. The lien provided hereby shall be superior to all other liens except other tax liens, regardless of when such other liens were created. All persons purchasing any of said property on or after the first day of January in any year shall take the same subject to the lien herein provided. In addition to the lien herein provided on the first day of January of any year, the owner of property subject to taxation by the Town shall be personally liable for the taxes due thereon for such year. The Town shall have the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In such suit where it appears that the description of any property in the Town assessment rolls is insufficient to identify such property, the Town shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien and/or for personal judgment against the owner for such taxes as such ownership and property appears on the approved tax rolls furnished by the Denton Central Appraisal District.

SECTION 8.04 FINANCE DEPARTMENT

There shall be a Department of Finance, the director of which shall be appointed by the Town Manager with concurrence of the Town Council, The head of the Department of Finance shall be known as the Finance Director who shall also be the Town Treasurer. The Finance Director shall provide a bond with such surety and in such amount as the Council may require and the premiums on such bond shall be paid by the Town. The Finance Director shall have knowledge of municipal accounting and taxation and shall have experience in budgeting and financial control. The Finance Director shall have the custody of all public monies, funds, notes, bonds, and other securities belonging to the Town. The Finance Director, under the direction of the Town Manager, shall oversee the financial operations and procedures that are implemented in each of the Town's departments. The Finance Director shall make payments out of Town funds upon order of the Town Council or other authorized Town Officer as provided herein. The Finance Director shall render a full and accurate statement to the Town Manager and the Town Council of his or her receipts and payments at such times as the Town Manager or Town Council may require. The Finance Director shall perform other such acts and duties as the Town Council may

prescribe.

SECTION 8.05 FISCAL YEAR

The fiscal year of the Town shall begin on the first day of October and end on the following September 30th, but the fiscal year may be changed by the Town Council by ordinance.

SECTION 8.06 ANNUAL BUDGET

It shall be the duty of the Town Manager to submit an annual budget not later than thirty (30) days prior to the end of the current fiscal year to the Town Council for its review, consideration and revision. The Town Council shall call a public hearing or hearings on the budget. The Town Council may adopt a budget with or without amendments. The Town Council may increase or decrease amounts or programs and may delete any programs or amounts except expenditures required by law or for a debt service, provided that no amendment shall increase the authorized expenditures to an amount greater than the total of the estimated-income for the current fiscal year plus funds available from prior years. At the close of each fiscal year, the unencumbered balance of each appropriation shall revert to the fund from which it was appropriated and shall be subject to future appropriations, but appropriations may be made in furtherance of improvements or other objects of work of the Town which will not be completed within the current year.

SECTION 8.07 FAILURE TO ADOPT ANNUAL BUDGET

If the Town Council fails to adopt the budget by the 15th of September, the amounts appropriated for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month to month basis with all items in it prorated accordingly until such time as the Town Council adopts a budget for the ensuing fiscal year. The property tax levy will be set to equal the total current fiscal year tax receipts, unless the ensuing fiscal year budget is approved by September 15th of the current fiscal year.

SECTION 8.08 BONDS AND OTHER EVIDENCES OF INDEBTEDNESS

The Town shall have the right and power to borrow money on the credit of the Town for public purposes by whatsoever method it may deem to be in the public interest. The Town shall further have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidences of indebtedness for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall further have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing or public utilities, recreational facilities or any other self-liquidating municipal functions not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligations created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds of the Town shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall have the power to borrow money for public improvements or any public purpose in any other manner provided by law, including certificates of obligation as authorized by Chapter 271 of the Texas Local Government Code or other applicable laws. All bonds and evidences of indebtedness of the Town having been approved by the Attorney General and registered by the Comptroller of Public Accounts shall

thereafter be incontestable in any court or other forum for any reason, and shall be valid and binding obligations of the Town in accordance with their terms for all purposes.

SECTION 8.09 PURCHASING

A. The Town Council may by ordinance give the Town Manager general authority to contract for expenditures without further approval of the Town Council for all budgeted items not exceeding limits set by the Town Council within the ordinance.

B. All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the Town Council. All contracts or purchases involving more than the limits set by the Town Council shall be awarded by the Town Council, in accordance with state law.

C. Emergency contracts as authorized by law and this Charter may be negotiated by the Town Council or Town Manager if given authority by the Town Council, without competitive bidding, and in accordance with state law. Such emergency shall be declared by the Town Manager and approved by the Town Council, or may be declared by the Town Council.

CHAPTER NINE

BOARDS AND COMMISSIONS

SECTION 9.01 PLANNING AND ZONING COMMISSION

The Town Council shall create a Planning and Zoning Commission of the Town of Little Elm and shall appoint seven (7) members and two (2) alternate members, each member of the Planning and Zoning Commission shall be a citizen of Town of Little Elm. Members shall be appointed for three (3) year staggered terms; provided, however, that members of the Planning and Zoning Commission serve at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of the majority of the full membership of the Town Council. Such appointees shall serve without compensation and may not hold any elective office of the State of Texas or any other political subdivision thereof during their terms. A vacancy in an unexpired term shall be filled by the Town Council for the remainder of the term. The majority of the appointed members shall constitute a quorum, and decisions may only be made with the affirmative vote of a majority of these members present and voting. The Planning and Zoning Commission shall select from any of its members a Chairman and Vice Chairman.

SECTION 9.02 BOARD OF ADJUSTMENTS

The Town Council shall appoint a Board of Adjustments comprising of five (5) regular members and two (2) alternate members for two (2) year staggered terms, all Members of which shall be citizens of the Town of Little Elm. The Board of Adjustments shall be governed by Chapter 211, Texas Local Government Code, or other applicable laws, and have such additional duties as maybe prescribed by ordinance or applicable state law. A vacancy on the board shall be filled by Town Council for the unexpired term.

SECTION 9.03 OTHER BOARDS AND COMMISSIONS

The Town Council shall have the power and is hereby authorized to create, abolish, establish, and

appoint such other Town and corporate boards, commissions and committees, which shall be composed of the citizens of the Town of Little Elm except as otherwise required by law, as the Town Council deems necessary to carry out the functions of the Town, and to prescribe the purpose, functions, and tenure of each board, commission, or committee.

CHAPTER TEN **ORDINANCES**

SECTION 10.01 PROCEDURE FOR PASSING ORDINANCES AND RESOLUTIONS

The Town Council shall evidence its official actions by written ordinances, resolutions, or oral motions. The style of all ordinances shall be: "Be it ordained by the Town Council of The Town of Little Elm, Texas" and the style of all resolutions shall be "Be it resolved by the Town Council of the Town of Little Elm, Texas." Each proposed ordinance shall not be amended or repealed except by adoption of another ordinance. All ordinances and resolutions passed by the Town Council shall become effective immediately from and after passage except where publication of a caption is required or where the ordinance, state law, or other provisions of this Charter provide otherwise, in which case the effective date shall be as prescribed in the ordinances.

SECTION 10.02 PUBLICATION OF ORDINANCES

The descriptive caption or title of each ordinance containing a penalty shall be published at least once in the official newspaper of the Town, unless otherwise provided by state law or this Charter.

SECTION 10.03 CODE OF ORDINANCES

The Town Council shall have the power to cause the ordinances of the Town to be printed, in code form, and shall have the same arranged and digested as often as the Town Council may deem advisable, provided that failure to print the ordinances as herein provided shall not affect the validity of the same.

SECTION 10.04 ORDINANCES AND RESOLUTIONS NOW IN EFFECT

All ordinances, portions thereof, resolutions, contracts, bonds, obligations, rules and regulations now in force under the Town government of the Town of Little Elm, and not in conflict with the provisions of this Charter, shall remain in force under this Charter until altered, amended, or repealed by the Town Council in the manner required by law.

CHAPTER ELEVEN **ELECTIONS**

SECTION 11.01 TOWN ELECTIONS

Beginning on the 1st Saturday in May 2002, each qualified voter shall be entitled to vote for the offices of Council Members for Places 1, 2, 4 and 6. The Council Members elected in single

member district places 2 and 4 shall serve for an initial term of two (2) years, or until the regular election in May 2004. The Council Members elected in at-large places 1 and 6 shall serve for a term of three (3) years. The Mayor and Council Members in single member district Places 3 and 5 will be elected in May, 2003, for a term of three (3) years. Thereafter, all Council Members shall be elected for a term of three (3) years. All qualified voters of the state who reside within the Town of Little Elm shall have the right to vote in the Town elections.

Beginning with the election in May, 2020, the Council Member elected in at-large place 1 shall serve for a term of two (2) years until the election in May, 2022, after which time the Council Member elected in at-large place 1 shall serve a term of three (3) years from that election going forward. Beginning with the election in May, 2021, the Council Member elected in single member district place 5 shall serve for a term of two (2) years until the election in May, 2023, after which time the Council Member elected in single member district place 5 shall serve a term of three (3) years from that election going forward.

SECTION 11.02 SPECIAL ELECTIONS

The Town Council, by ordinance or resolution, may call such special elections as are authorized by the state law or this Charter, fix the time and place of holding the same, and provide all means for holding such special elections, provided that every special election shall be called and held as nearly as practicable according to the provisions governing regular elections.

SECTION 11.03 REGULATION OF ELECTIONS

All Town elections shall be governed by the Constitution of the State of Texas, general laws of the state, this Charter, and by ordinance of the Town regulating the holding of municipal elections. The Town Council shall appoint the election judges and other election officials and shall provide for the compensation of all election officials in Town elections and for all other expenses in holding said elections.

SECTION 11.04 CANDIDATES: FILING FOR OFFICE

Any qualified person as prescribed by Section 3.02 may make application to have his/her name placed on the official ballot for the position of Council Member or Mayor. The application shall be made in accordance with all applicable laws and shall state that the candidate agrees to serve if qualified and elected. Each candidate shall execute such oath and other official form of affidavit as may be required by the Town Secretary pursuant to Texas Election Code. The Town Secretary shall review the application and notify the candidate whether or not the application satisfies the requirements of this Charter and the Texas Election Code. If an application is insufficient, the Town Secretary shall return it immediately to the candidate with a statement of such insufficiency. The candidate may file a new application within the regular time for filing applications. The Town Secretary shall keep on file all applications found sufficient at least until the expiration of the term of office for which such candidates filed.

SECTION 11.05 OFFICIAL BALLOT

The order on the ballot of the names of the candidates shall be determined by the Town Secretary in accordance with the procedures set out in the Texas Election Code. The name of each candidate seeking an elective office, except those who have withdrawn, died, or become ineligible prior to the time permitted for withdrawal, shall be printed on the official ballot in the name designated by the candidate in accordance with the Texas Election Code. Provision for early and absentee voting shall be made as provided by the Texas Election Code.

SECTION 11.06 CANVASSING AND ELECTION RESULTS

Returns of every municipal election shall be delivered forthwith by the Election Judges to the Town Secretary, with a copy of the returns being sent to the Mayor. The Town Council shall canvass the returns, investigate the qualifications of the candidates and declare the official results of the election not less than two (2) days nor more than six (6) days after the date of the election, or as may be otherwise provided by the Texas Election Code.

SECTION 11.07 RUNOFF ELECTION

- A. The candidates for Mayor and Council Members in Places 1, 2, 3, 4, 5 and 6 receiving a majority of all votes cast for the office of Mayor and Council Members for Places 1, 2, 3, 4, 5 and 6 shall be declared elected.
- B. In the event a candidate for the office of Mayor or Council Member in Places 1, 2, 3, 4, 5 or 6 fails to receive a majority of all votes cast for that office, a runoff election for that office shall be conducted. If more than two (2) candidates tie for the highest number of votes for either the office of the Mayor or Council Members, the tied candidates shall draw by lots to determine which two (2) are to be in a run off election. The Town Secretary shall supervise the drawing of lots under this section.
- C. Not later than the fifth (5) day after the date of counting of the returns, the Town Council shall order a runoff election to be held consistent with the Texas Election Code.

CHAPTER TWELVE **FRANCHISES**

SECTION 12.01 POWER TO GRANT FRANCHISE

The Town Council shall have the power, subject to the provisions hereof, by ordinance to confer upon any person, firm, corporation, or other legal entity the franchise or right to use the public property of the Town for the purpose of furnishing to the public any general public service or benefit, including, but not limited to, heat, light, power, telephone service, transportation, or other telecommunication providers for compensation or hire. No franchise shall be granted by the Town to any person, firm, corporation, or other legal entity to own, control or operate a waterworks therein. The Town shall have the power by ordinance to grant, renew, and extend all franchises of all public utilities of every character operating within the Town. No such franchise shall be granted until after a public meeting shall have been called and held and until such ordinance shall have been passed and accepted by the franchisee. No such ordinance shall become effective until thirty (30) days after its passage.

SECTION 12.02 TRANSFER OF FRANCHISE

No public utility or other franchise shall be transferable except with the approval of the Town Council, expressed by ordinance. This restriction shall not be construed to prevent the franchise holder from pledging the franchise as security for a valid debt.

SECTION 12.03 OWNERSHIP, USE AND CONTROL OF STREETS

No franchise or easement involving the right to use the same either along, over, across, under, or upon the streets, alleys, highways, parks, and public ways shall be valid unless granted in compliance with the terms of this chapter. No granting of a franchise by ordinance pursuant to this chapter shall convey any ownership or interest in any property of the Town other than the right to use the public property for purposes of such franchisee's operations as expressed in the ordinance granting such franchise.

SECTION 12.04 RIGHT OF REGULATION

In granting, amending, renewing and extending public service and utility franchises, the Town shall retain the right to:

- (1) Repeal such franchise by ordinance for failure to comply with the terms thereof, such power to be exercised only after due notice and hearing;
- (2) Require an adequate extension of plant and service as is necessary to provide adequate service to the public, and maintenance of the plant and fixtures at the highest reasonable standard of efficiency;
- (3) Establish reasonable standards of service and quality of products and prevent unjust discrimination in service or rates;
- (4) Impose regulations to ensure safe, efficient and continuous service to the public. The franchise holder in opening and refilling all earth openings shall re-lay the pavement and do all other work necessary to complete restoration of streets, sidewalks or grounds to a condition equally as good as or better than when disturbed; and

To regulate, locate, or prohibit the erection of any and all poles, wires, or other utility equipment, conveyance, or structure, on the streets, alleys and public places of said Town, and to cause the same to be changed, removed, altered, increased, diminished, placed underground, or be supported by poles of such material, kind, quality and class as may be determined by the Town Council, whether the same be telegraph, telephone, electric, cable television or otherwise, and to enforce the provisions hereof by appropriate action in any court of competent jurisdiction.

SECTION 12.05 COMPENSATION FOR FRANCHISE

All persons, corporations, or association of persons, to whom a franchise or privilege may hereafter be granted shall pay to the Town for such privilege such compensation as may be fixed by the Town Council in the grant of such franchise or privilege. Such compensation as fixed by contract or provided by any Texas statute or statutes and any amendments thereto shall become due and payable at such time as the Town Council shall fix in the grant of such franchise or privilege. The failure of any franchisee to pay compensation to the Town when due shall result in forfeiture of the franchise or privilege.

SECTION 12.06 COUNCIL TO FIX AND REGULATE CHARGES, FARES, OR RATES

If applicable state law so provides, the Town Council shall determine, fix, and regulate the charges, fares or rates of any person, firm, or corporation enjoying a franchise or privilege granted under the provisions of this chapter, and shall prescribe the kind of service to be furnished to the public by such person, firm or corporation, and the manner in which it shall be rendered and may, from time to time, alter or change such rules, regulations, and compensation after reasonable notice and public hearing, provided that the rates, charges and fares so fixed shall at all times be reasonable and permit a reasonable net return on the actual value of the physical properties and equipment of such utilities. In this connection, the Town Council may require any utility or franchise holder to furnish such financial reports and information as the Town Council may request, including reports of actual operating costs and the financial condition of its operations within the Town, and the Town Council may employ, at the expense of such franchisee, necessary outside experts to examine and audit the accounts and records of the franchisee to determine the reasonableness of such charges, fares, and rates.

CHAPTER THIRTEEN

INITIATIVE, REFERENDUM, AND RECALL

SECTION 13.01 SCOPE OF RECALL

Any elected Town official shall be subject to recall and removal from office by the qualified voters of the Town of Little Elm on grounds of incompetency, misconduct, or malfeasance in office.

SECTION 13.02 PETITIONS FOR RECALL

Before the question of recall of such officer shall be submitted to the qualified voters of the Town of Little Elm, a petition demanding such questions to be submitted shall first be filed with the Town Secretary. If recall is sought for a Council Member in Place 2, 3, 4, or 5, the petition must be signed by qualified voters in the specific district equal to ten (10%) percent of the qualified voters in the specific district, or sixty five (65%) percent of the votes cast at the last general election for the specific place; whichever is greater. If recall is sought for the Mayor or Council Member in Place 1 or 6, the petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty five (65%) percent of the votes cast at the last general election for such office, whichever is greater.

Each signer of such recall petition shall personally sign his or her name thereto in ink or indelible pencil, and shall write after signer's name his or her place of residence, giving the name of the street and number, or place of residence, and shall also write thereon the day, the month, and the year his or her signature was affixed.

SECTION 13.03 FORM OF RECALL PETITION

The recall petition mentioned above must be addressed to the Council of the Town of Little Elm, must be distinctly and specifically pointed to the grounds upon which such petition for removal is predicated, and, if there is more than one ground, said petition shall specifically state each ground with such certainty as to give the officer sought to be removed notice of the matters and things with which the officer is charged. The signature shall be verified by oath in the following form:

"State of Texas"
County of _____

I, _____, being first duly sworn, on oath depose and say that I am one of the signers of the above petition, and that the statements made therein are true, and that each signature appearing thereon was made in my presence on the day and date it purports to have been made, and I solemnly swear that the same is the genuine signature of the person it purports to be.

Signature

Sworn and subscribed before me this _____ day of _____, 2____.

Signed _____
Notary Public in and for the State of Texas

SECTION 13.04 VARIOUS PAPERS CONSTITUTING PETITION

The petition may consist of one or more copies, or subscription lists, circulated separately, and the signatures thereto may be upon the paper or papers containing the form of petition, or upon other paper attached thereto. Verifications provided for in the preceding section of this Chapter may be made by one or more petitioners, and the several parts of copies of the petition may be filed separately and by different persons, but no signatures to such petition shall remain effective to be counted which were placed thereon more than forty-five (45) days prior to the filing of such petition or petitions with the Town Secretary. All papers comprising a recall petition shall be filed with the Town Secretary who shall immediately notify, in writing, the officer sought to be removed, by mailing such notice to the officer's Little Elm address.

SECTION 13.05 PRESENTATION OF PETITION TO THE COUNCIL

Within seven (7) days after the date of the filing of the papers constituting the recall petition, the Town Secretary shall present such petition to the Council of the Town of Little Elm.

SECTION 13.06 PUBLIC HEARING TO BE HELD

The officer whose removal is sought may, within seven (7) days after such recall petition has been presented to the Council, request that a public hearing be held to permit the officer to present the facts pertinent to the charges specified in the recall petition. In this event, the Town Council shall order such public hearing to be held, not less than five (5) days nor more than fifteen (15) days after receiving such request for a public hearing.

SECTION 13.07 CALLING OF RECALL ELECTION

If the officer whose removal is sought does not resign, then the Town Council shall order an election and set the date for holding such a recall election. The date selected for the recall election shall be in accordance with the Texas Election Code. If after the recall election is established, the officer vacates his or her position, the election shall be cancelled. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.08 BALLOTS IN RECALL ELECTION

Ballots used at recall elections shall conform to the following requirements:

- (A) With respect to each person whose removal is sought, the question shall be submitted: "Shall _____ be removed from the office of _____ by recall?"
- (B) Immediately below each such question there shall be printed the following words, one above the other, in the order indicated:

"Yes"

"No"

SECTION 13.09 RESULT OF RECALL ELECTION

If a majority of the votes cast at a recall election shall be "No," that is against the recall of the person named on the ballot, the officer shall continue in office for the remainder of the officer's unexpired term, subject to recall as before. If a majority of the votes cast at such election be "Yes," that is for the recall of the person named on the ballot, the officer shall, regardless of any technical defects in the recall petition, be deemed removed from office and the vacancy be filled by the Town Council as provided in this Charter.

SECTION 13.10 RECALL, RESTRICTIONS THEREON

No recall petition shall be filed against any officer of the Town of Little Elm within three (3) months after the officer's election, no more than twice within an officer's term, and not within three (3) months after an election for such officer's recall.

SECTION 13.11 FAILURE OF THE COUNCIL TO CALL AN ELECTION- RECALL

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the recall petition, or order such recall election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such recall, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

SECTION 13.12 GENERAL POWER OF INITIATIVE AND REFERENDUM

The qualified voters of the Town of Little Elm, Texas, in addition to the method of legislation herein before provided, shall have the power to direct legislation by the initiative and referendum.

- (A) Initiative: Such power shall not extend to the budget or capital program or any ordinance not subject to initiative as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes or salaries of Town officers or employees.
- (B) Referendum: Such power shall not extend to the budget, or capital program, or any emergency ordinance, or ordinance not subject to referendum as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes, or zoning.

SECTION 13.13 INITIATIVE

Qualified voters of the Town of Little Elm may initiate legislation by submitting a petition addressed to the Town Council which requests the submission of a proposed ordinance to a vote of the qualified voters of the Town. Said petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty-five (65%) percent of the votes cast at the last municipal general election, whichever is greater and each copy of the petition shall have attached to it a copy of the proposed legislation. The petition shall be signed in the same manner as recall petitions are signed, as provided in this Chapter, and shall be verified by oath in the manner and form provided for recall petitions in this Chapter. The petition may consist of one or more copies as permitted for recall petitions. Such petition shall be filed with the Town Secretary. Within seven (7) days after filing of such petition, the Town Secretary shall present said petition and proposal ordinance to the Council. Upon presentation to it, it shall become the duty of the Council, within ten (10) days after the receipt thereafter, at which the qualified voters of the Town of Little Elm shall vote on the question of adopting or rejecting the proposed legislation. However, if any other municipal election is to be held within sixty (60) days after the filing of the petition, the question may be voted on at such election. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.14 REFERENDUM

Qualified voters of the Town of Little Elm may require that any ordinance, with the exception of ordinances appropriating money or levying of taxes, passed by the Town Council be submitted to the voters of the Town for approval or disapproval, by submitting a petition for this purpose within thirty (30) days after final passage of said ordinance or resolution, or within thirty (30) days after its publication. Said petition shall be addressed, signed, and verified as required in Section 13.13 of this Charter and shall be submitted to the Town Secretary. Immediately upon the filing of such petition, the Town Secretary shall present said petition to the Town Council. Thereupon, the Town Council shall immediately reconsider such ordinance and, if the Town Council does not entirely repeal the same, shall submit it to popular vote as provided in Section 13.07 of this Charter. Pending the holding of such election, each ordinance shall be suspended from taking effect and shall not later take effect unless a majority of the qualified voters thereon at such election shall vote in favor thereof.

SECTION 13.15 VOLUNTARY SUBMISSION OF LEGISLATION BY THE COUNCIL

The Council, upon its own motion and by a majority vote of its Members, may submit to popular vote at any election for adoption or rejection any proposed ordinance or resolution or measure, or may submit for repeal any existing ordinance in the same manner and the with same force and effect as provided in this Chapter for submission of petition, and may at its discretion call a special election for this purpose.

SECTION 13.16 FORM OF BALLOTS

The ballots used when voting such referred ordinance shall set forth their nature sufficiently to identify them and shall also set forth upon separate lines the words:

"For the Ordinance" or

"Against the

Ordinance"

SECTION 13.17 PUBLICATION OF PROPOSED ORDINANCES

The Town Secretary of the Town of Little Elm shall publish at least twice in the official newspaper of the Town the proposed or referred ordinance within fifteen (15) days before the date of the election, and shall give other such notices and do other such things relative to said election as required in the general municipal election or by the ordinance or resolution calling said election.

SECTION 13.18 ADOPTION OF ORDINANCES

If a majority of the qualified voters voting on any proposed ordinance shall vote in favor thereof, it shall thereupon or any time fixed therein, become effective as a law or as a mandatory order of the Council.

SECTION 13.19 INCONSISTENT ORDINANCES

If the provisions of two or more proposed ordinances approved at the same election are inconsistent, the ordinance receiving the highest number of votes shall prevail.

SECTION 13.20 ORDINANCES PASSED BY POPULAR VOTE, REPEAL, OR AMENDMENT

No ordinance which may have been passed by the Town Council upon a petition or adopted by popular vote under the provisions of this Chapter shall be repealed or amended except by the Town Council in response to a referendum petition or by submission as provided by Section 13.15 of this Charter.

SECTION 13.21 FURTHER REGULATIONS BY THE COUNCIL

The Town Council may pass ordinances providing further regulations for carrying out the provisions of this Chapter consistent herewith.

SECTION 13.22 FRANCHISE ORDINANCES

Nothing contained in this Chapter shall be construed to be in conflict with any of the provisions of this Charter, pertaining to ordinances granting franchises when valuable rights shall have accrued thereunder.

SECTION 13.23 FAILURE OF THE COUNCIL TO CALL AN ELECTION - INITIATIVE OR REFERENDUM

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the initiative or referendum petition, or order such initiative or referendum election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such initiative or referendum, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

CHAPTER FOURTEEN

GENERAL AND TRANSITIONAL PROVISIONS

SECTION 14.01 EFFECT OF CHARTER ON EXISTING LAW

All ordinances, resolutions, rules and regulations in force in the Town on the effective date of this Charter and not in conflict with this Charter shall remain in full force and effect until altered, amended, or repealed. All taxes, assessments, liens, encumbrances, obligations and demands of or against the Town, fixed or established before such date, shall be valid if properly fixed or established either under the law in force at the time of such proceedings or under the law after the adoption of this Charter.

SECTION 14.02 CONTINUATION OF PRESENT OFFICES

All persons holding administrative offices at the time this Charter takes effect shall continue in office and in the performance of their duties in the capacities to which they have been appointed until provision shall have been made in accordance with the terms of this Charter for the performance of such duties or the discontinuance of such office, if any. The powers conferred and the duties imposed upon any office, department or agency of the Town by the laws of the state shall, if such office, department or agency be abolished by this Charter or under its authority, be thereafter exercised and discharged by the office, department or agency designated by the Council, unless otherwise provided herein.

SECTION 14.03 NEPOTISM

No officer of the Town of Little Elm shall appoint, vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree by consanguinity to any Member of the Town Council or Mayor, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of office of any kind or character whatsoever. However, this provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment or duty for at least thirty (30) days, if the officer is appointed, or at least six (6) months, if the officer is elected.

When a person is allowed to continue in any such position, the officer related shall not participate in the deliberation or voting upon the appointment, reappointment, employment, confirmation, re-employment, change in status, compensation, or dismissal of such person, unless such action is taken with respect to a bona fide class or category of employees.

SECTION 14.04 OFFICIAL NEWSPAPER

The Town Council shall have the power to designate by resolution a newspaper of general circulation in the Town as the Town's official newspaper. All ordinances, captions of ordinances, notices and other matters required to be published by this Charter, by ordinance, or by state law, shall be published in the official newspaper.

SECTION 14.05 JUDICIAL NOTICE

This Charter shall be recorded in the Town Secretary's office in a book kept for that purpose. As soon as practicable after its adoption, an authenticated copy of the Charter shall be certified to the Secretary of State of Texas, the Charter becomes a public act. Such Charter provisions may be read in evidence without pleading or proof of their provisions, and judicial notice shall be taken thereof in all courts and places.

SECTION 14.06 CLAIMS FOR DAMAGE OR INJURY

The Town of Little Elm shall never be liable for any personal injury or death or for claims for damages or injury to real or personal property alleged to have been caused by the negligent act or omission of any officer, agent or employee of the Town unless the person who has been injured, the person whose property has been injured or damaged, or someone on his behalf, shall file a claim in writing with the Town Secretary within six (6) months after said injury, death or damage has occurred, stating specifically when, where, and how the injury, death or damage occurred, the full extent thereof, the amount of damages claimed or asserted, and the basis claimed for liability on the part of the Town. The person giving notice under this section shall give the address of every place that said person has resided at during the last six (6) months prior to the injury, death or damage and shall subscribe his or her name thereto. Neither the Town Mayor, Town Council Member, Town Manager, Town Secretary, Town Attorney, or any other officer or employee of the Town shall have authority to waive any of the provisions of this section, but the same may be waived only by resolution of the Town Council made and passed before the expiration of said six (6) month period.

SECTION 14.07 PROPERTY NOT SUBJECT TO GARNISHMENT AND EXECUTION

No property owned or held by the Town shall be subject to any garnishment or execution of any kind or nature except as specifically provided by state law.

SECTION 14.08 CONFLICT OF INTEREST

No Member of the Town Council, the Mayor, or any other officer, whether elected, appointed, paid or unpaid, who exercises responsibilities beyond those that are advisory in nature, shall participate in a vote or decision on a matter involving a business entity in which such officer has a substantial interest if it is reasonably foreseeable that an action on the matter would confer an economic benefit on the business entity. If the officer or a person related to the officer within the second degree of affinity or consanguinity has a substantial interest in the business entity that would be pecuniary affected by an official action of the Town Council, the officer, if a Member of the Town Council, shall file an affidavit stating the nature and extent of the interest and abstain from further participation in the matter.

SECTION 14.09 PUBLIC MEETINGS AND RECORDS

All meetings of the Town Council and all boards appointed by the Town Council shall be governed by the provisions of Chapter 551 of the Texas Government Code and any amendments thereto with regard to the posting of agenda and the holding of public meetings. All public records of every

office, department or agency of the Town shall be open to inspection by any citizen at all reasonable business hours, provided that records excepted from public disclosure by Chapter 552 of the Texas Government Code and any amendments thereto shall be closed to the public and not considered public records for the purpose of this section.

SECTION 14.10 INDEMNIFICATION OF OFFICERS

The Town Council shall, by appropriate ordinance, provide for the indemnification and defense of the officers and employees of the Town, including the Members of the Town Council, or any board, commission, or committee, including volunteers, against any loss, cost, or expense, including court costs and attorney's fees, to the extent allowed by law, arising out of any claim, suit, or judgment or settlement thereof, resulting from any alleged negligent act or omission of such officer, employee, member, or volunteer during the discharge of his/her duties and within the scope of his/her office, employment, membership, or assigned voluntary position with the Town, or in any other case where the Town is directed or authorized by law to do so. Provided, however, that such indemnification will not be provided for any act arising out of the intentional or knowing violation of any penal statute or ordinance or arising out of any conduct determined by final judgment to be an act of fraud or to have been taken with the intent to deceive or defraud, or for any personal or private business of such officer, employee, member, or volunteer, or for the gross negligence or official misconduct, or willful or wrongful act, or omission of such officer, employee, member, or volunteer.

SECTION 14.11 AMENDMENT OF CHARTER

Amendments to this Charter may be submitted by the Town Council to the qualified voters of the Town for their approval at an election, no more often than once every two (2) years, held in accordance with Chapter 9, Texas Local Government Code.

SECTION 14.12 BOND OR SECURITY NOT REQUIRED

It shall not be necessary in any action, suit or proceeding in which the Town is a party, for any bond, undertaking, or security to be executed on behalf of said Town, that all such actions, suits, appeals, or proceedings shall be conducted in the same manner as if such bond, undertaking, or security had been given, and said Town shall be liable as if such obligation had been duly given and executed.

SECTION 14.13 SEVERABILITY CLAUSE

If any chapter, section, paragraph, sentence, clause or phrase of this Charter shall be held unconstitutional or invalid for any reason by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter nor the context in which such provision so held invalid may appear, except to the extent that an entire chapter, section, paragraph, or sentence may be inseparably connected in meaning and effect with the provision to which such holding shall apply directly.

SECTION 14.14 MEANING OF WORDS

The provisions of this Charter shall be liberally construed for the purpose of effecting the objects and ends thereof. Unless some other meaning is manifest, the word "Town" shall be construed to mean the "Town of Little Elm," and the word "and" may be read "or" or the "or" may be read "and" if the sense requires. Words in the present tense include future tense and, except when a more

restrictive meaning is manifest, singular may mean plural. The word "Council" shall be construed to mean the Town Council of the Town of Little Elm. The gender of the wording as contained in this Charter shall always be interpreted to mean either sex.

SECTION 14.15 EFFECTIVE DATE

This Charter shall take effect immediately following adoption by the voters and entry of the official order by the Town Council declaring the same adopted as soon as practicable. After adoption, the Town Mayor shall certify to the Secretary of State an authenticated copy of the Charter under the Town's seal showing approval by the voters. The Town Secretary shall record the Charter in a book kept for that purpose and keep and maintain the same as the official record of the Town.

CHAPTER FIFTEEN **ADOPTION OF CHARTER**

SECTION 15.01 SUBMISSION AND ELECTION

- A. This Charter Shall be submitted to the qualified voters of the Town of Little Elm for adoption or rejection on the 5th day of May, 2001, at which election, if a majority of the qualified voters voting in such election shall vote in favor of the adoption of this Charter, it shall then immediately become the governing law of the Town of Little Elm, Texas, until amended or repealed.
- B. It being impracticable to submit this Charter so that each subject may be voted on separately, it is hereby prescribed that the form of ballot to be used in such election shall be as follows, to wit:

“FOR”

ADOPTION OF CHARTER

“AGAINST”

This Home Rule Charter for the Town of Little Elm, Texas, is respectfully submitted to the Town Council of the Town of Little Elm for the purpose of calling an election on the question of adoption of the Home Rule Charter this 22nd day of February, 2001. This proposed Charter represents the recommendation of the majority of the members of the Home Rule Charter Commission, whose membership and signatures are evidenced below.

SECTION 15.02. CHARTER REVIEW COMMITTEE

- (A) The Town Council shall establish and appoint a Charter Review Committee to review and make recommendations regarding the Town Charter. The Charter Review Committee shall be composed of not fewer than seven (7) residents of the Town, and shall be established and appointed by Town Council at least every two (2) years from the date that the prior Charter Review Committee concluded its operations. The Charter Review Committee shall be established and appointed not less than nine (9) months before the selected election date at which any proposed Charter amendments may be considered.

(B) It shall be the duty of the Charter Review Committee to do the following:

- 1) Inquire into the operation of the Town government under the Charter provisions and determine whether any such provisions require revision. To this end, public hearings may be held; and the Charter Review Committee shall have the power to compel the attendance of any officer or employee of the Town and to require the submission of any non-privileged and non-confidential Town records which the Charter Review Committee may determine is necessary to conduct such hearings.
- 2) Propose any recommendations to the Town Manager and Town Council that the Charter Review Committee may determine are desirable to ensure compliance with the provisions of this Charter by the Town's departments.
- 3) Propose amendments to the Charter to improve the effective application of the Charter to current conditions.
- 4) Report the Charter Review Committee's findings and present its proposed amendments, if any, to the Town Council. Any report of the Charter Review Committee shall be delivered to the Town Attorney at least fifteen (15) days prior to its presentation to the Town Council. Within such time, and no later than ten (10) days prior to its presentation to the Town Council, the Town Attorney shall advise the Charter Review Committee in writing of any changes in proposed amendments which the Town Attorney deems necessary or desirable. A copy of the Town Attorney's recommendations shall be attached to the report of the Charter Review Committee at the time of its presentation to the Town Council.

(C) The Town Council shall receive any Charter Review Committee report and have published in a newspaper of general circulation in the Town all proposed amendments recommended by the final report of the Charter Review Committee.

(D) The term of office of the Charter Review Committee shall not exceed nine (9) months. If during such term, no report is presented to the Town Council, then all records of the proceedings of the Charter Review Committee shall be filed with the Town Secretary.

APPENDIX L

([Cross-reference Policy No. 5.11](#))

Wellness Program

The purpose of the Town of Little Elm wellness program will be to encourage a healthy workplace with regards to mental, physical, and emotional wellbeing. The wellness program will seek to build an encouraging and social environment focused on awareness, nutrition, activity, and prevention among Town of Little Elm employees and their families. It shall be the goal of the wellness program to support wellness in the work place by maintaining a program that meets the needs of the Little Elm organization and promotes a healthy lifestyle.

A wellness committee will be comprised of employees of the Town of Little Elm. Each department will be encouraged to have at least one member on the committee. Members of the committee will serve an indefinite term and are encouraged to be enthusiastic and supportive of the purpose and goals of the wellness program. The wellness committee will meet at least once a month during regular business hours. All committee members are equal participants and have equal rights to voice opinions and ideas.

Duties of the wellness committee include but are not limited to:

- Provide support of the purpose and goals of the committee.
- Create a sense of employee ownership by participating in the planning and promotion of wellness activities.
- Members must be willing to accept duties on assigned projects.
- Providing evaluations of ongoing programs and activities.
- Providing peer support and advocacy to boost wellness program participation.
- Sharing responsibilities of duties that go along with wellness activities.
- Leading special programs or project initiatives.
- Managing or assisting with wellness related special events.

Premium Reduction Program

Employees shall be given the opportunity to meet preventative care requirements which will determine the cost of the annual premiums that they pay for a given plan year.

Each participant who completes the preventative care requirements at or before the open enrollment period ends will pay the lowest premiums for the following year. Health plan participants who do not complete the preventative care requirements will pay more. The exact premium amounts will be based on the group plan costs and the Town will pay a varying percentage of employee and dependent coverage based on completion of Preventative Health Care Qualifications.

Health and Wellness Education

The Town of Little Elm shall make available opportunities for wellness related health and wellness education to employees. Learning opportunities may be presented in a live format or

made available electronically.

Employee Fitness Assessment

Town of Little Elm employees shall be awarded the opportunity to meet with the Town's certified trainers for a comprehensive fitness and nutrition assessment at no cost to the employee. This is considered a one-time option to help the employee to meet their fitness and nutrition goals.

Recreation Center Membership

Town of Little Elm employees, full time and part time, shall receive family memberships at the Town of Little Elm Recreation Center at no cost.

Employee Walk/Stretch Breaks

Employees shall be encouraged to use their breaks for walking or stretching. The time, location, and duration of the breaks shall be at the discretion of the department head and are considered time worked.

Annual Health Fair

The Town of Little Elm shall host an annual employee health fair. The health fair will host a variety of vendors and providers that offer wellness related services or screenings.

Special Programs

A variety of special programs may be offered throughout the year by the Wellness Committee. These programs may include, but are not limited to:

- Town or Departmental Sports Teams
- Weight Loss Challenges
- Walkathons
- Town sponsored 5k's or fitness events
- Relay teams
- Lunch Groups
- Healthy Recipe Sharing
- Fitness interest groups

Special Programs of this nature may be led by an individual member(s) of the Wellness Committee. Special programs that require funding shall be considered by the Town Manager. Unless events occur during an employee's normal working hours or otherwise specified, all special programs are considered voluntary in nature and will not be considered time worked.

****The Town will provide employees with disabilities an opportunity to request reasonable accommodation be made in order for employee to participate in Town Sponsored Activities.**

Wellness Incentive Points Program

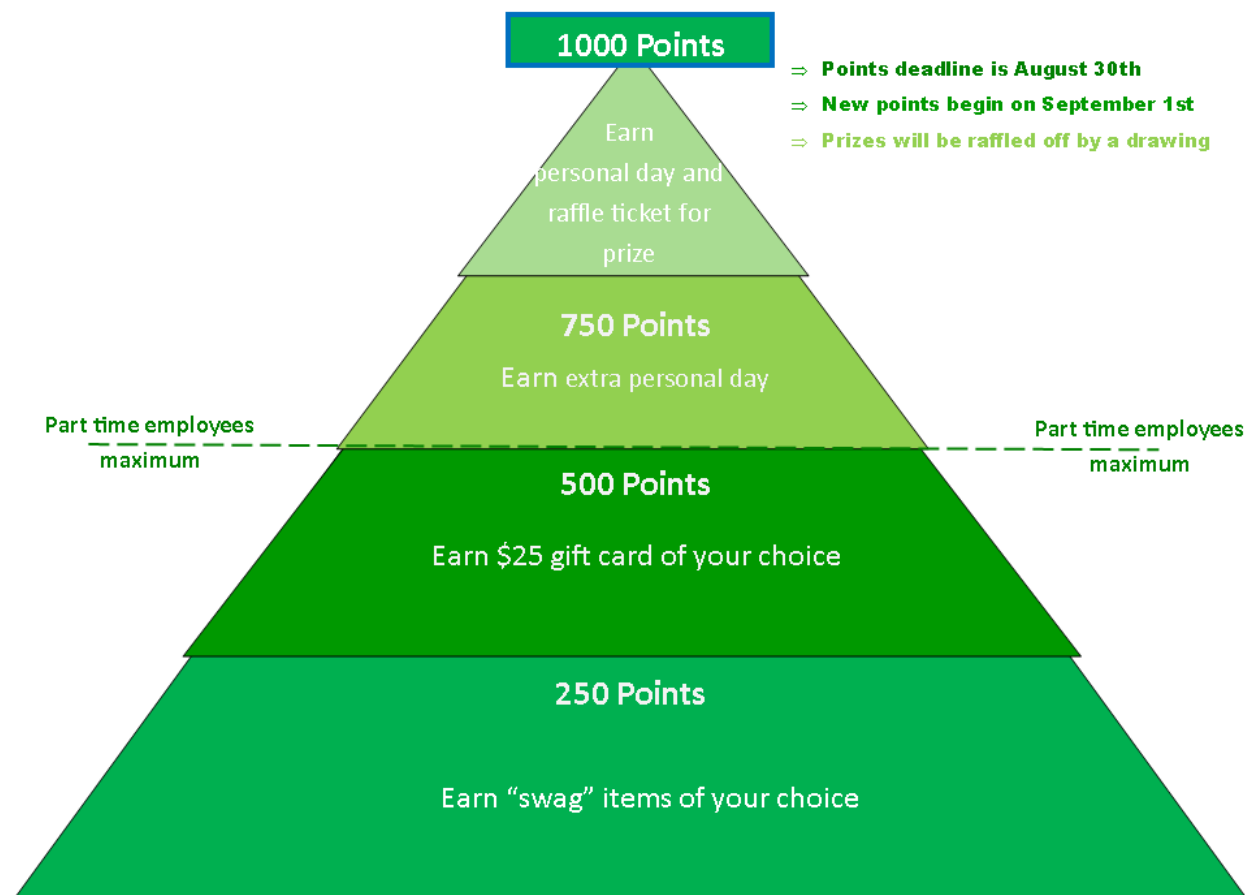
The wellness incentive program is intended to provide rewards to employees who take personal initiative in relation to their own health and wellness. Employees shall be afforded opportunity to earn points for completion of certain health related actions in the areas of prevention, awareness, activity, and nutrition. Rewards and prizes will be offered to the employee based on the number of points accrued annually. Full- time employees have the ability to earn an unlimited amount of points. Part-Time employees are encouraged to participate and will be eligible to earn up to a maximum of 500 points annually.

Employees whose start date is after the Open Enrollment Period ends, will be placed in Tier 1 but are subject to the following for the first plan year:

- 9 months or more until enrollment: complete all requirements (before Nov. 30th)
- 6-9 months until the next enrollment period: all persons covered on plan must get Annual Physical/Well Women and Well Child Exam (Dec. 1 – Feb. 28)
- 0-6 months until the next enrollment period: placed in Tier 1 for the first full plan year (Mar. 1 – Aug. 30)

Wellness Incentive Points Program

Items	Points	Max Points
Prevention		
Annual Oral or Dental Exam	100	100
Annual Vision Exam	100	100
Annual Hearing Test	50	50
Flu Shot or other approved vaccination	50	50
Awareness		
Participate in a wellness seminar- 1 per month	10	120
Fitness Assessment w/Personal Trainer	50	50
Health Risk Assessment	50	50
Activity		
Activity Journal: Log 30 minutes of exercise per day	3	500
Specialty Event -point total determined by event	Varies	Varies
Nutrition		
Monthly Nutrition Log : minimum of 21 days per month	10	60



Little Elm Wellness Program

Premium Reduction Program Details

Oral or Dental Screening

Total Points: 100

Max Points: 100

Definition: This is your regularly scheduled, annual preventative maintenance exam/cleaning

Where can you get it done: at your family dentist

How do I get credit: provide documentation from your dentist

Vision Exam

Total Points: 100

Max Points: 100

Definition: This is your annual suggested vision exam

Where can you get it done: your family ophthalmologist

How do I get credit: provide documentation from your doctor

Hearing Test

Total Points: 50

Max Points: 50

Definition: This is a preventative hearing test

Where can you get it done: hearing center or specialist recommended by your family doctor

How do I get credit: provide documentation from your doctor

Flu Shot or Approved Vaccination**Total Points: 50 Max Points: 50**

Definition: yearly preventative vaccines offered from the approved list in you Enrollment Guide

Where can you get it done: at your family doctor, pharmacy or at a location designated by your employer

How do I get credit: provide receipt from the employer designated location or documentation from your doctor or whomever administered the shot

Wellness Seminar**Total Points: 10 Max Points: 120**

Definition: Educational, informative seminar or online webinar based on a particular topic

Where can you get it done: Information will be provided by the Wellness Coordinator with specific details

How do I get credit: sign in sheet at workshop or certification of online course

Fitness Assessment**Total Points: 50 Max Points: 50**

Definition: A Certified Personal Trainer meets with you to assess your fitness goals, body fat and circumference measurements

Where can you get it done: Fitness professional of your choice or through service offered at LE Rec Center

How do I get credit: Documentation showing the assessment was administered

Health Risk Assessment**Total Points: 50 Max Points: 50**

Definition: A health risk assessment (HRA) is a health questionnaire, used to provide individuals with an evaluation of their health risks and quality of life

Where can you get it done: Blue Cross Blue Shield offers it online

How do I get credit: Documentation showing that you took the assessment

Activity Journal**Total Points: 3 Max Points: 500**

Definition: Documentation showing your weekly fitness activity

Where can you get it done: anywhere you choose to get active

How do I get credit: Provide printout of gym record, print out of FitBand activity, (or like gadget) handwritten form that records you monthly. You may find a form on the "Y" drive in the Wellness Folder. Pedometers logs will not be accepted. Fitbit activity reports must show periods of rigorous activity

Specialty Wellness Event**Total Points: varies Max Points: varies**

Definition: Events designated by Town Manager and Wellness Coordinator that are eligible for wellness points

Where can you get it done: Information will be provided by the Wellness Coordinator with specific details

How do I get credit: sign in sheet at event

Monthly Nutrition Log**Total Points: 10 Max Points: 60**

Definition: Log recording your eating habits and caloric intake

Where can you get it done: anywhere you choose to eat

How do I get credit: Provide printout of activity from website tracking site, handwritten log, any form of proof that logs your daily eating habits. You are allowed 10 missed days (cheat) days per month. Programs that qualify: My Fitness Pal, Weight Watchers, Spark,

etc) You may find a form on the “Y” drive in the Wellness Folder

APPENDIX M

(Cross-reference Policy No. 4.15)

SICK LEAVE POOL REQUEST FORM

EMPLOYEE INFORMATION			
Employee:		Employee #:	Date of Request:
Title:		Department:	
Date Last Worked:	Expected Return Date:	Is this an on-the-job injury? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Employee Signature:			Date:
DEPARTMENT CERTIFICATION			
Department Head Signature:			Date:

HUMAN RESOURCES USE ONLY					
Received:	Approved:	Emp Notified:	FMLA Status:	FMLA Start:	FMLA End:
Human Resources Administrator:					Date:
Remarks:					
Pay Date	Hours Authorized		Pay Date	Hours Authorized	

APPENDIX N
(Cross-reference Policy No. 4.10)

Military Leave of Absence Request and Leave Use Designation

Complete this form and submit it with a copy of your military orders to the Human Resources Department.

Military leave beginning date: _____ Military leave end date (if known): _____

Place a check in the appropriate box(es) below to designate how you want your paid leave applied in your absence.

Paid Military leave, if available will be applied before annual leave or compensatory time.

Paid Leave, Compensatory Time, Personal Day, Vacation:

Paid Military Leave

- ☐ I request that my paid military leave be applied continuously until it is exhausted: or;
- ☐ I request that my paid military leave be applied 8 hours per month while I am on active duty to retain employer paid benefits.

Note: Under current regulations, eligible employees receive 15 days of paid military leave each year from October 1, through September 30, including while on a military leave of absence. The entitlement of 15 days of paid military leave per year ceases upon your resignation, separation.

Annual (Vacation) Leave:

- ☐ I request that my annual leave be applied continuously until it is exhausted: or;
- ☐ I request that my annual leave be applied 8 hours per month of my absence to retain employer paid benefits
- ☐ I do not wish any of my annual leave to be used during my absence.
- ☐ Specify Other Annual Leave Use Request _____

Compensatory Time (if available)

- ☐ I request that my compensatory time be applied continuously until it is exhausted: or;
- ☐ I request that my paid compensatory time be applied 8 hours per month of my absence to retain employer paid benefits.
- ☐ I do not wish any of my compensatory time to be used during my absence.

Personal Days

- ☐ I request that any personal day time for which I am eligible be applied to my leave on the following date(s): _____

Print Name _____

Home Address _____

Home Phone _____ Mobile Phone _____

Signature _____ Date _____

Appendix O
(Cross-reference Policy No. 5.11)

RETIREE NOTIFICATION FORM
Group Health Coverage

Name: _____

Address: _____
Street Number Street Name City State Zip

Department: _____ Title: _____

Phone # _____ Retirement Date: _____

☐ Yes ☐ No Are you retiring under the Texas Municipal Retirement System?

☐ Yes ☐ No Have you been continually employed with the Town of Little Elm for the last five years?

☐ Yes ☐ No Do you have other group health insurance available to you?

☐ Yes ☐ No Does your spouse or covered dependents have other group health insurance available to them?

☐ Yes ☐ No Do you agree to inform the Town of Little Elm if you or a covered member of your family become covered under another group health plan or entitled to Medicare?

☐ Yes ☐ No Do you understand that premium amounts will change from year to year?

☐ Yes ☐ No Do you understand that you are responsible for remitting the full amount of the premium by a specific date, and if you fail to remit the required amount coverage will terminate for you and your dependents?

DECLINATION

_____ (initial) I understand that I am eligible for group health coverage continuation; however, I hereby decline retiree health coverage. I understand that this is the only opportunity I will have to continue the Town's group health coverage.

I understand that I also have the right to continue coverage subject to COBRA provisions for up to 18 months, and that this declination will not jeopardize those rights under COBRA.

Employee Signature: _____ Date: _____



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. E.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Consider Action to Authorize the **Town to Engage with Wilmington Trust National Association (Bank) to Serve as the Town's Escrow Agent through the Deposit Agreement Related to Rudman Public Improvement District.**

DESCRIPTION:

The Town currently is engaged with other various banks to serve as the escrow agent in the collection and disbursement of funds received from the various PIDs. Finance is requesting to increase efficiencies by allowing the same for the Rudman Public Improvement District. This will also provide consistency in the collection, reporting, and distribution of such funds. This agreement allows the Town to enter into such an agreement to have Wilmington Trust (Bank). The Bank will directly collect property taxes from the Denton County Tax Assessor's office and distribute payments as outlined in the Annual Service Plan approved by Council every year for various expenditures such a debt service payments and administrative costs. Currently, Finance is collecting and reporting all funds received from this PID into the Town's pooled cash account. For increased transparency, moving into this new arrangement allows all Rudman PID funds separate and reported directly from the escrow agent bank.

There will be administrative costs of \$750 annual associated with the service performed by Wilmington Trust Bank and will be paid from the PIDs administrative cost budget.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Robert Brown with Brown & Hofmeister, L.L.P. has reviewed the depository agreement as to form and legality. Staff recommends approval for the Town to enter into such agreement.

Rudman PID Depository Agreement

RUDMAN PUBLIC IMPROVEMENT DISTRICT DEPOSIT AGREEMENT

This **RUDMAN PUBLIC IMPROVEMENT DISTRICT DEPOSIT AGREEMENT**, dated as of __, 20 (“Agreement”), is by and between, the Town of Little Elm, Texas (“Town”), and Wilmington Trust, National Association (“Bank”).

BACKGROUND

WHEREAS, the Town desires to deposit funds, or cause to be deposited, with the Bank, from time to time, in connection with the Rudman Public Improvement District pursuant to Texas Local Government Code Chapter 372, (collectively, the “PID”); and

WHEREAS, the Bank has agreed to accept, hold, and disburse the funds deposited with it and the earnings thereon in accordance with the terms of this Agreement.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Definitions. The following terms shall have the following meanings when used herein:

“Administrative Expense Account” shall mean the sub account created for payment of Administrative Expenses of the Town not related to Bond Costs.

“Town Representative” shall mean the person(s) so designated on Schedule A hereto or any other person designated in a writing signed by the Town and delivered to the Bank in accordance with the notice provisions of this Agreement, to act as the Town’s representative under this Agreement.

“Funds” shall mean the funds deposited with the Bank pursuant to Section 3 of this Agreement, together with any interest and other income thereon.

“Period” shall mean the period commencing on the date hereof and ending on the applicable termination date set forth on Schedule A hereto.

“Written Direction” shall mean a written direction executed by a Town Representative and directing the Bank to disburse all or a portion of the Funds or to take or refrain from taking an action pursuant to this Agreement.

2. Appointment of and Acceptance by Bank. The Town hereby appoints the Bank to serve hereunder. The Bank hereby accepts such appointment and, upon receipt of Funds in

accordance with Section 3 below, agrees to hold and disburse the Funds in accordance with this Agreement.

3. Deposit of Funds. After the execution and delivery of this Agreement, the Town will transfer Funds, or cause to be deposited, from time to time, to the Bank by wire transfer of immediately available funds, or by some other customary method, to the Bank along with Written Direction as to which account the Funds should be deposited. From time to time upon receipt of written direction of the Town, the Bank shall transfer funds into the Administrative Expense Account.

4. Disbursements of Funds. The Bank shall disburse Funds at any time, and from time to time, upon receipt of, and in accordance with, the Town's Written Direction. Such Written Direction shall contain wiring instructions or an address to which a check shall be sent. Upon the expiration of the Period, the Bank shall distribute, as promptly as practicable, the Funds in the manner described on Schedule A, without any further instruction or direction.

All disbursements of Funds from the relevant account shall be subject to the fees and claims of the Bank and the Indemnified Parties (as defined below) pursuant to Section 9 and Section 10 below.

5. Suspension of Performance; Disbursement Into Court. If, at any time, the Bank is unable to determine, to the Bank's sole satisfaction, the proper disposition of all or any portion of the Funds or the Bank's proper actions with respect to its obligations hereunder, then the Bank may, in its sole discretion, take either or both of the following actions:

a. Suspend the performance of any of its obligations (including without limitation any disbursement obligations) under this Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of the Bank,

b. Petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction in any venue convenient to the Bank for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into such court, for holding and disposition in accordance with the instructions of such court, all Funds, after deduction and payment to the Bank of all fees and expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by the Bank in connection with the performance of its duties and the exercise of its rights hereunder.

The Bank shall have no liability to the Town or any other person with respect to any such suspension of performance or disbursement into court, specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in

the disbursement of the Funds or any delay in or with respect to any other action required or requested of the Bank.

6. Investments. Funds on deposit hereunder shall be invested in permitted investments, as provided in the Texas Public Funds Investment Act, at the written direction of the Town. In the absence of written direction, the Bank shall invest the funds in the Blackrock Fed Fund (Govt), Dollar Share Class. The Bank shall not be liable or responsible for monitoring or ensuring that any investment is a Permitted Investment as described under any other document or agreement relating to the relevant PID transaction or for any loss which may result from any investment or sale of investment made pursuant to this Agreement.

Any income or interest earned, or any losses, on any Funds shall accrue to and be deposited in the account from which said monies were deposited or invested or be debited against such account.

All money deposited with the Bank hereunder shall be secured in the manner and to the fullest extent required by law for the security of funds of the Town. Any moneys held by the Bank in excess of the deposit insurance provided by the Federal Deposit Insurance Corporation will be fully collateralized with obligations that are eligible under the laws of the State of Texas.

The Bank is not obligated to pay interest on any money received by it hereunder.

This Agreement relates solely to money deposited for the purposes described herein. In particular, but without limiting the generality of the foregoing, the Bank may serve as "Bond Trustee" and "Escrow Agent" in regard to the PID transaction.

7. Resignation or Removal of Bank. The Bank may resign and be discharged from the performance of its duties hereunder at any time by giving ten (10) days' prior written notice to the Town specifying a date when such resignation shall take effect and after such specified date, notwithstanding any other provision of this Agreement, the Bank's sole obligation will be to hold the Funds pending appointment of a successor bank. Similarly, the Bank may be removed at any time by the Town by giving at least thirty (30) days' prior written notice to the Bank specifying the date when such removal shall take effect. Upon the effective date of any such resignation or removal, the Bank shall return the Funds to or at the direction of the Town after deduction and payment to the Bank of all fees and expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by the Bank in connection with the performance of its duties and the exercise of its rights hereunder. After the Bank's resignation or removal, the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it while it was acting under this Agreement.

8. Liability of Bank. The Bank undertakes to perform only such duties as are expressly set forth herein and no duties shall be implied. The Bank has no fiduciary or discretionary duties of any kind. The Bank shall have no liability under the provisions of any agreement other than this Deposit Agreement. The Bank will not be responsible or liable for the failure of any Party to perform in accordance with this Deposit Agreement. The Bank shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Deposit Agreement, whether or not an original or a copy of such agreement has been provided to the Bank; and the Bank shall have no duty to know or inquire as to the performance or nonperformance of any provision of any such agreement, instrument, or document. References in this Deposit Agreement to any other agreement, instrument, or document are for the convenience of the Parties, and the Bank has no duties or obligations with respect thereto. This Deposit Agreement sets forth all matters pertinent to the deposit contemplated hereunder, and no additional obligations of the Bank shall be inferred or implied from the terms of this Deposit Agreement or any other agreement. Bank shall not be liable for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines, which determination is not subject to appeal, that Bank's gross negligence or willful misconduct was the primary cause of any loss to the Town. The permissive rights of the Bank to do things enumerated in this Agreement shall not be construed as a duty and, with respect to such permissive rights, the Bank shall not be answerable for other than its gross negligence or willful misconduct. The Bank's sole responsibility shall be for the safekeeping of the Funds in accordance with the Bank's customary practices and disbursement of the Funds in accordance with the terms of this Agreement. Bank shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. The Bank may rely upon any notice, instruction, request or other instrument, not only as to its due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein, which the Bank believes to be genuine and to have been signed or presented by the person or parties purporting to sign the same. In no event shall the Bank be liable for incidental, indirect, special, consequential or punitive damages (including, but not limited to lost profits), even if the Bank has been advised of the likelihood of such loss or damage and regardless of the form of action. The Bank shall not be obligated to take any legal action or commence any proceeding in connection with the Funds, any account in which Funds are deposited, or this Agreement, or to appear in, prosecute or defend any such legal action or proceeding or to take any other action that in the Bank's sole judgment may expose it to potential expense or liability. The Bank shall not be responsible or liable in any manner for the performance by any party of their respective obligations under any other agreement. The Bank may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions hereof or of any other agreement or of its duties hereunder, or relating to any dispute involving any party hereto, and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the opinion or instruction of such counsel. The Town shall promptly pay, upon demand, the reasonable fees and expenses of any such counsel. Nothing in this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability in the performance

of any of its duties or in the exercise of any of its rights or powers hereunder. The Bank may act through attorneys or agents and shall not be responsible for the acts or omissions of any such attorney or agent appointed with due care.

The Bank is authorized, in its sole discretion, to comply with orders issued or process entered by any court with respect to the Funds, without determination by the Bank of such court's jurisdiction in the matter. If any portion of the Funds is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Bank is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Bank complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

The Bank shall be entitled to request and receive written instructions from the Town and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Bank in accordance with the written direction of the Town. The Bank may, at the expense of the Town, request, rely on and act in accordance with officer's certificates and/or opinions of counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such officer's certificates and opinions of counsel.

9. Indemnification of Bank. From and at all times after the date of this Agreement, the Town shall, to the fullest extent permitted by law, defend, indemnify and hold harmless the Bank and each director, officer, employee, attorney, agent and affiliate of the Bank (each, an "Indemnified Party") against any and all actions, claims (whether or not valid), losses, damages, liabilities, costs and expenses of any kind or nature whatsoever (including without limitation reasonable attorneys' fees, costs and expenses) incurred by or asserted against any Indemnified Party from and after the date hereof, whether direct, indirect or consequential, as a result of or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person, including without limitation the Town, whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person under any statute or regulation, including, but not limited to, any federal or state securities laws, or under any common law or equitable cause or otherwise, arising from or in connection with the negotiation, preparation, execution, performance or failure of performance of this Agreement or any transactions contemplated herein, whether or not any such Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation; *provided, however*, that no Indemnified Party shall have the right to be indemnified hereunder for any liability finally

determined by a court of competent jurisdiction, which determination is not subject to appeal, to have resulted solely from the gross negligence or willful misconduct of such Indemnified Party. The Town further agrees to indemnify each Indemnified Party for all costs, including without limitation reasonable attorney's fees, incurred by such Indemnified Party in connection with the enforcement of the Town's indemnification obligations hereunder. Each Indemnified Party shall, in its sole discretion, have the right to select and employ separate counsel with respect to any action or claim brought or asserted against it, and the reasonable fees of such counsel shall be paid upon demand by the Town. The Bank shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of the Town, pursuant to the provisions of this Agreement, unless such Town shall have offered to the Bank security or indemnity (satisfactory to the Bank in its sole and absolute discretion) against the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction. The Bank shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility. The obligations of the Town under this Section 9 shall survive any termination of this Agreement and the resignation or removal of Bank.

10. Compensation to Bank.

a. Fees and Expenses. The Town shall compensate the Bank for its services hereunder in accordance with Schedule A attached hereto. All of the compensation and reimbursement obligations set forth in this Section 10 shall be payable by the Town upon demand by the Bank. The obligations of the Town under this Section 10 shall survive any termination of this Agreement and the resignation or removal of the Bank.

b. Disbursements from Funds to Pay Bank. The Bank is authorized to, and may, disburse to itself from the Funds, from time to time, the amount of any compensation and reimbursement of out-of-pocket expenses due and payable hereunder (including any amount to which the Bank is entitled to seek indemnification pursuant to Section 9 hereof) with approval from the Town.

c. Security and Offset. The Town hereby grants to the Bank and the Indemnified Parties a security interest in and lien upon the Funds to secure all obligations hereunder, and the Bank and the Indemnified Parties shall have the right to offset the amount of any compensation or reimbursement due any of them hereunder (including any claim for indemnification pursuant to Section 9 hereof) against the Funds. If for any reason the Funds

available to the Bank and the Indemnified Parties pursuant to such security interest or right of offset are insufficient to cover such compensation and reimbursement, the Town shall promptly pay such amounts to the Bank and the Indemnified Parties upon receipt of an itemized invoice.

11. Representations and Warranties. The Town makes the following representations and warranties to the Bank:

(i) It is duly organized, validly existing, and in good standing under the laws of the state of Texas, and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(ii) This Agreement has been duly approved by all necessary action, has been executed by its duly authorized officers, and constitutes its valid and binding agreement enforceable in accordance with its terms.

(iii) The execution, delivery, and performance of this Agreement will not violate, conflict with, or cause a default under its articles of incorporation, articles of organization, bylaws or other organizational document, as applicable, any applicable law or regulation, any court order or administrative ruling or decree to which it is a party or any of its property is subject, or any agreement, contract, indenture.

(iv) The applicable persons designated on Schedule B hereto have been duly appointed to act as its representatives hereunder and have full power and authority to execute and deliver any Written Direction, to amend, modify or waive any provision of this Agreement and to take any and all other actions under this Agreement, all without further consent or direction from, or notice to, it or any other party.

(v) No party other than the parties hereto has, or shall have, any lien, claim or security interest in the Funds or any part thereof. No financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the Funds or any part thereof.

(vi) All of its representations and warranties contained herein are true and complete as of the date hereof and will be true and complete at the time of any disbursement of the Funds.

12. Patriot Act/Identifying Information. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Bank requires documentation to verify its formation and existence as a legal entity. The Bank may ask to see

financial statements, licenses, or identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. The Town acknowledges that a portion of the identifying information set forth herein is being requested by the Bank in connection with the USA Patriot Act, Pub.L.107-56 (the "Act"), and agrees to provide any additional information requested by the Bank in connection with the Act or any other legislation or regulation to which Bank is subject, in a timely manner. The Town represents that all identifying information set forth on Schedule A or otherwise provided to the Bank, including without limitation, its Taxpayer Identification Number assigned by the Internal Revenue Service or any other taxing authority, is true and complete on the date hereof and will be true and complete at the time of any disbursement of the Funds.

13. Consent to Jurisdiction and Venue. In the event that any party hereto commences a lawsuit or other proceeding relating to or arising from this Agreement, the parties hereto agree that the U.S. District Court for the Western District of Texas shall have jurisdiction over any such proceeding. If such court lacks federal subject matter jurisdiction, the parties agree that the Denton County State District Court shall have jurisdiction. Any of these courts shall be proper venue for any such lawsuit or judicial proceeding and the parties hereto waive any objection to such venue. The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein and agree to accept service of process to vest personal jurisdiction over them in any of these courts.

14. Notice. All notices, approvals, consents, requests, and other communications hereunder shall be in writing (provided that each such communication to Bank must be manually signed by the sender) and shall be deemed to have been given when the writing is delivered if given or delivered by hand, overnight delivery service or facsimile transmitter (with confirmed receipt) to the address or facsimile number set forth on Schedule A hereto, or to such other address as each party may designate for itself by like notice, and shall be deemed to have been given on the date deposited in the mail, if mailed, by first-class, registered or certified mail, postage prepaid, addressed as set forth on Schedule A hereto, or to such other address as each party may designate for itself by like notice.

15. Amendment, Waiver and Assignment. This Agreement may be changed, waived, discharged or terminated only by a writing signed by the parties hereto. No delay or omission by any party in exercising any right with respect hereto shall operate as a waiver. A waiver on any one occasion shall not be construed as a bar to, or waiver of, any right or remedy on any future occasion. Except as provided in Section 19, this Agreement may not be assigned by any party without the written consent of the other party.

16. Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition

or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

17. Governing Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Texas without giving effect to the conflict of laws principles thereof.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to the holding, investment and disbursement of the Funds and sets forth in their entirety the obligations and duties of Bank with respect to the Funds. Nothing in this Agreement, express or implied, is intended to or shall confer upon any person other than the signatory parties hereto and the Indemnified Parties any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

19. Binding Effect; Successors. All of the terms of this Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of the Town and the Bank. If the Bank consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business (including the account contemplated by this Agreement) to another entity, the successor or transferee entity without any further act shall be the successor Bank.

20. Execution in Counterparts. This Agreement and any Written Direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

21. Termination. Upon the first to occur of the termination of the Period, the disbursement of all amounts in the Funds pursuant to Written Directions or the disbursement of all amounts in the Funds into court pursuant to Section 5 or Section 8 hereof, this Agreement shall terminate, the Bank shall be released from its obligations hereunder and the Bank shall have no further liability with respect to the Funds, this Agreement, or any action or refusal to take action hereunder.

22. Dealings. The Bank and any stockholder, director, officer or employee of the Bank may buy, sell, and deal in any of the securities of the Town and become financially interested in any transaction in which the Town may be interested, and contract and lend money to the Town and otherwise act as fully and freely as though it were not acting as the depositary bank under this

Agreement. Nothing herein shall preclude the Bank from acting in any other capacity for the Town or for any other person or entity.

23. Optional Security Procedures. In the event funds transfer instructions, address changes or change in contact information are given (other than in writing at the time of execution of this Agreement), whether in writing, by facsimile or otherwise, Bank is authorized but shall be under no duty to seek confirmation of such instructions by telephone call-back to the person or persons designated on Schedule B hereto, and the Bank may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by the Bank and shall be effective only after the Bank has a reasonable opportunity to act on such changes. If the Bank is unable to contact any of the designated representatives identified in Schedule B, the Bank is hereby authorized but shall be under no duty to seek confirmation of such instructions by telephone call-back to any one or more of the Town's executive officers ("Executive Officers"), as the case may be, which shall include the titles of Town Manager and Deputy Town Manager as the Bank may select. Such Executive Officer shall deliver to the Bank a fully executed incumbency certificate, and the Bank may rely upon the confirmation of anyone purporting to be any such officer. The Town agrees that the Bank may at its option record any telephone calls made pursuant to this Section. The Bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Town to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Bank may apply any of the Funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Town acknowledges that these optional security procedures are commercially reasonable.

24. WAIVER OF TRIAL BY JURY. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

25. Tax Reporting. The Town agrees to assume all obligations imposed now or hereafter by any applicable tax law or regulation with respect to payments or performance under this Agreement. Upon the Bank's request, the Town shall provide the Bank with a Form W-9 or Form W-8, as applicable, for each payee, together with any other documentation and information requested by the Bank in connection with the Bank's reporting obligations under the United States Internal Revenue Code and related regulations (the "Code"). If such tax documentation is not so provided, the Bank is authorized to withhold taxes as required by the Code. The Town shall accurately provide the Bank with all information requested by the Bank in connection with the preparation of all applicable Form 1099 and Form 1042-S documents with respect to all distributions as well as in the performance of the Bank's reporting obligations under the Foreign Account Tax Compliance Act or other applicable law or regulation. To the extent that the Bank becomes liable for the payment of any taxes in respect of income derived from the investment of the Funds, the Bank shall satisfy such liability to the extent possible from the Funds. To the extent permitted by law, the Town shall indemnify, defend and hold the Bank harmless from and against any tax, late payment, interest, penalty or other cost or expense that may be assessed against the Bank on or with respect to the Funds and the investment thereof unless such tax, late payment, interest, penalty or other expense was directly caused by the gross negligence or willful misconduct of the Bank. The indemnification provided by this Section 25 is in addition to the indemnification provided in Section 9 and shall survive the resignation or removal of the Bank and the termination of this Deposit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

WILMINGTON TRUST, NATIONAL ASSOCIATION

By: _____
Title: _____
Date: _____

TOWN OF LITTLE ELM

By: _____
David Hillock, Mayor

Date: _____

Attest:

By: _____
Caitlan Biggs
Town Secretary

Date: _____

SCHEDULE A

1. Account.

Wilmington Trust, National Association
[ABA#
ATTN:
Re: [_____ PID Assessment Account, #_____]

3. Bank Fees.

Annual Fee:	\$ _____	750.00
TOTAL	\$ _____	750.00

The Acceptance Fee and the Annual Fee are payable upon execution of the agreement. In the event the account is not funded, the Acceptance Fee and all related expenses, including attorneys' fees, remain due and payable, and if paid, will not be refunded. Annual fees cover a full year in advance, or any part thereof, and thus are not pro-rated in the year of termination.

The fees quoted in this schedule apply to services ordinarily rendered in the administration of an account and are subject to reasonable adjustment based on final review of documents, or when Bank is called upon to undertake unusual duties or responsibilities, or as changes in law, procedures, or the cost of doing business demand. Services in addition to and not contemplated in this Agreement, including, but not limited to, document amendments and revisions, non-standard cash and/or investment transactions, calculations, notices and reports, and legal fees, will be billed as extraordinary expenses.

Unless otherwise indicated, the above fees relate to the establishment of one account. Additional sub-accounts governed by the same Agreement may incur an additional charge. Transaction costs include charges for wire transfers, checks, internal transfers and securities transactions.

3. Taxpayer Identification Numbers.

Town: _____

4. Termination and Disbursement. Unless earlier terminated by the provisions of the Agreement, the Period will terminate on _____, _____. Any Funds remaining on such date shall be distributed to Town.

5. Notice Addresses.

If to Town, at:

TOLE Finance Department
100 West Eldorado Parkway
Little Elm, TX 75068
Attn: Kelly Wilson
Telephone: (214) 975-0415

If to Bank, at:

Wilmington Trust, National Association
Corporate Client Services
15950 N. Dallas Parkway, Suite 550
Dallas, Texas 75248
Attn: Dayna L. Smith
Telephone: (972) 383-3154
Facsimile: (972) 385-0844

SCHEDULE B

(CONFIRMATION OF CONTACT INFORMATION FORM SHALL BE ATTACHED HERE)



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. F.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Consider Action to **Adopt Ordinance No. 1590 Amending the Updated Valencia Public Improvement District Service and Assessment Plan and Assessment Roll Adopted on August 18, 2020.**

DESCRIPTION:

A Service and Assessment Plan and Assessment Roll is required to be reviewed and adopted annually as described in Sections 372.013 and 372.014 of PID Act. On August 18, 2020, the Town Council adopted an annual Service and Assessment Plan and Assessment Roll labeled 2020 Update, which confirmed the original Assessment roll to the principle and interest payment schedule required for the bonds and reimbursement agreements, and update the Assessment Roll to reflect prepayments, property divisions and change to the budget allocate for District public improvements that occurred during the year.

It has been determined, with the assistance of Municap Services, the Town's PID administrator, that the 2020 Update contained some incorrect information regarding certain lot sizes, which requires Town Council approval to correct through the adoption of the amended Annual Service Plan Update noted as Amended Update. The lot size changes contained in the Amended Update does not affect the budget and are limited to updating the Phase #3B Assessment Roll as shown in Appendix G to the Amended Update.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Robert Brown, Brown & Hofmeister, L.L. P. has prepared Ordinance No. 1590 and reviewed the Amended Update as to form and legality. Staff recommends approval of Ordinance and the Amended Update, noted as Exhibit A.

Attachments

Ordinance 1590 - Amending Valencia PID

Amended SAP Update Valencia PID

Redline Version Amended Update SAP Valencia PID

TOWN OF LITTLE ELM

ORDINANCE NO. 1590

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM AMENDING THE UPDATED VALENCIA PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL ADOPTED ON AUGUST 18, 2020

WHEREAS, by Resolution No. 09171301 adopted on September 17, 2013, after notice and a public hearing in the manner required by law, the Town Council of the Town of Little Elm, Texas approved a resolution authorizing the creation of the Valencia Public Improvement District (“**District**”) of the Town of Little Elm; and

WHEREAS, the Town Council, pursuant to Section 372.016(b) of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (“**PID Act**”), published notice of the Levy and Assessment Hearing on August 23, 2013 in *The Little Elm Journal*, a newspaper of general circulation in the Town; and

WHEREAS, on February 13, 2014, after notice and a public hearing conducted in the manner required by law, the Town Council adopted Ordinance No. 1200 approving the Valencia Public Improvement District Service and Assessment Plan and Assessment Roll and the levy of assessments on property in the District; and

WHEREAS, the Service and Assessment Plan and Assessment Roll is required to be reviewed and updated annually as described in Sections 372.013 and 372.014 of PID Act; and

WHEREAS, on August 18, 2020, the Town Council adopted an annual Service and Assessment Plan and Assessment Roll (“**2020 Update**”), which conformed the original Assessment Roll to the principal and interest payment schedule required for the bonds and reimbursement agreements, and updated the Assessment Roll to reflect prepayments, property divisions and changes to the budget allocation for District public improvements that occur during the year, if any; and

WHEREAS, it has been determined that the 2020 Update contained some incorrect information regarding certain lots sizes, which information the Town Council seeks to correct through the adoption of an amended Annual Service Plan Update (“**Amended Update**”), a true and correct copy of which is attached hereto as *Exhibit A*; and

WHEREAS, the lot size changes contained in the Amended Update do not affect the budget and are limited to updating the Phase #3B Assessment Roll as shown in the Phase #B Assessment Roll Summary as shown in Appendix G to the Amended Update; and

WHEREAS, the Town Council finds the passage of this Ordinance adopting the Amended Update to be in the best interest for the citizens of Little Elm.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the Amended Update, attached hereto as ***Exhibit A***, is hereby accepted and approved.

SECTION 3: That this Ordinance shall be cumulative of all other Town Ordinances and all other provisions of other Ordinances adopted by the Town which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 4: It is hereby declared to be the intention of the Town Council of the Town of Little Elm, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the Town Council of the Town of Little Elm without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 5: This Ordinance shall take effect immediately from and after its passage as the law in such case provides.

SECTION 6: PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS, THIS THE 19th DAY OF JANUARY 2021.

Approved by _____
Mayor

Date _____

Approved to form by _____
Town Attorney

Date _____

Certified by _____
Town Secretary

Date _____

**VALENCIA
PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, TEXAS**

**ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/20 - 8/31/21)**

**APPROVED BY TOWN COUNCIL ON:
AUGUST 18, 2020 &
AMENDED ON JANUARY 19, 2021**

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

VALENCIA PUBLIC IMPROVEMENT DISTRICT

ANNUAL SERVICE PLAN UPDATE (ASSESSMENT YEAR 9/1/20 – 8/31/21)

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I. INTRODUCTION

The Valencia Public Improvement District (the “PID”) was created pursuant to the PID Act and a resolution of the Town Council on September 13, 2013 to finance certain public improvement projects for the benefit of the property in the PID.

On February 21, 2014, the Town of Little Elm (the “Town”) approved the issuance of the Town of Little Elm Texas Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phase #1 Project) (the “Phase #1 Bonds”) in the aggregate principal amount of \$4,000,000, and the Town of Little Elm, Texas Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phases #2-5 Major Improvement Project) (the “Phases #2-5 Bonds”) in the aggregate principal amount of \$12,240,000. The Phase #1 Bonds and Phases #2-5 Bonds were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. In addition, reimbursement obligations for the Phase #1 Reimbursement Agreement in the aggregate principal amount of \$3,435,000 and, reimbursement obligations for the Phase #2 Reimbursement Agreement in the aggregate principal amount of \$11,220,000 are secured by Assessments.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the Town identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements.

On February 20, 2018, the Town approved the issuance of the Phase #1 Refunding and Improvement Bonds, the Improvement Area #2 Refunding and Improvement Bonds and the Major Improvement Area Refunding Bonds. The Phase #1 Refunding and Improvement Bonds were issued to refund the 2014 Phase #1 Bonds and refinance the Phase #1 Reimbursement Agreement and are secured by the Phase #1 Assessments. The Improvement Area #2 Refunding and Improvement Bonds were issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to Improvement Area #2 and to refinance the pro rata portion of the Phase #2 Reimbursement Agreement relating to the Improvement Area #2 Local Improvements and are secured by the Improvement Area #2 Assessments. The Major Improvement Area Refunding Bonds are being issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to Phase #2B, Phase #3B, and Phase #4 and are secured by the Assessments shown on the Major Improvement Area Assessment Roll.

The Service and Assessment Plan was initially updated on June 6, 2017 for Phase #2 and was again updated on February 20, 2018 (collectively, the “Updated Service and Assessment Plan”) to incorporate the refunding and additional Bond issuance described above. Pursuant to Chapter 372, Texas Local Government Code, the Service and Assessment Plan must be reviewed and updated annually. This document is an amendment to the annual update of the Service and Assessment Plan for 2020-21 approved by Town Council on August 18, 2020, pursuant to the amended Phase

#3B Lot Type identification provided by the project engineer on November 12, 2020. These changes do not affect the budget and are limited to updating the Phase #3B Assessment Roll as shown in the Phase #B Assessment Roll Summary as shown in Appendix G.

The Town also adopted the Phase # 1 Assessment Roll, Major Improvement Area Assessment Roll, and Improvement Area #2 Assessment Roll attached as Appendix D, Appendix F, and Appendix H, respectively, to the Updated Service and Assessment Plan, identifying the assessments on each parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for 2020-21.

Capitalized terms used herein shall have the meanings specified in the Updated Service and Assessment Plan, unless defined otherwise in this update.

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II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

Phase #1 Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Phase #1 Improvements, including Phase #1's share of Major Improvement costs and bond issuance, were equal to \$7,435,000. According to the Trustee's records as of June 30, 2020, the costs spent to date of the Phase #1 Improvements, were equal to \$6,687,618 representing a decrease \$712,117 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the Phase #1 Refunding and Improvement Bonds were \$1,457,006.

Table II-A on the following page summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements, (2) establish the PID, and (3) issue Phase #1 Refunding and Improvement Bonds. The actual costs spent to date of the Phase #1 Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of December 31, 2017. For additional Phase #1 development-related information, refer to the link below:

<https://emma.msrb.org/ES1022227-ES799705-ES1201049.pdf>

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Table II-A
Updated Sources and Uses of Funds
Phase #1 Refunding and Improvement Bonds

Sources of Funds	Initial Budget	Budget Changes¹	Revised Budget	Funded to Date	Remaining Balance to be Funded
Bond par amount (Series 2014)	\$505,002	\$0	\$505,002	\$505,002	\$0
Bond Par Amount (Series 2018 Refunding)	\$6,929,998	\$0	\$6,929,998	\$6,217,881	\$712,117
Other funding sources ¹	\$0	(\$35,265)	(\$35,265)	(\$35,265)	\$0
Total Sources	\$7,435,000	(\$35,265)	\$7,399,735	\$6,687,618	\$712,117
Uses of Funds					
<u>Major Improvements</u>					
Road improvements	\$721,517	(\$12,679)	\$708,838	\$451,935	\$256,903
Water distribution system improvements	\$280,685	(\$4,933)	\$275,752	\$175,812	\$99,941
Sanitary sewer improvements	\$290,984	(\$5,113)	\$285,871	\$182,263	\$103,608
Storm drainage improvements	\$79,114	(\$1,391)	\$77,723	\$49,554	\$28,169
Other soft and miscellaneous costs	\$627,811	(\$11,149)	\$616,662	\$393,166	\$223,496
Subtotal	\$2,000,111	(\$35,265)	\$1,964,846	\$1,252,729	\$712,117
<u>Phase #1 Improvements</u>					
Road improvements	\$1,799,960	\$0	\$1,799,960	\$1,799,960	\$0
Water distribution system improvements	\$468,155	\$0	\$468,155	\$468,155	\$0
Sanitary sewer improvements	\$600,493	\$0	\$600,493	\$600,493	\$0
Storm drainage improvements	\$372,030	\$0	\$372,030	\$372,030	\$0
Other soft and miscellaneous costs	\$737,245	\$0	\$737,245	\$737,245	\$0
Subtotal	\$3,977,883	\$0	\$3,977,883	\$3,977,883	\$0
Bond issuance costs	\$1,457,006	\$0	\$1,457,006	\$1,457,006	\$0
Total Uses	\$7,435,000	(\$35,265)	\$7,399,735	\$6,687,618	\$712,117

¹ – Reported budget changes are absorbed in the Major Improvement Area and Improvement Area #2 revised budgets.

Phase #1 Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Phase #1 Authorized Improvement cost variances.

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Major Improvement Area Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Major Improvements, including bond issuance costs, were equal to \$7,720,338. As described in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, the costs spent to date of the Major Improvements were equal to \$7,459,218, representing a decrease of \$283,362 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the PID Bonds were \$1,786,963.

Table II-B below summarizes the updated sources and uses of funds required to (1) construct the Major Improvements, (2) establish the PID, and (3) issue Major Improvement Refunding and Improvement Bonds. The actual costs spent to date of the Major Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020. For additional Major Improvement development-related information, refer to the link below:

<https://emma.msrb.org/RE1365642-RE1061210-RE1470822.pdf>

Table II-B
Updated Sources and Uses of Funds
Major Improvement Area Refunding Bonds

Sources of Funds	Initial Budget	Budget Changes ¹	Revised Budget	Funded to Date ¹	Remaining Balance to be Funded ¹
Bond par amount (Series 2014)	\$6,607,070	\$0	\$6,607,070	\$6,323,708	\$283,362
Bond Par Amount (Series 2018 MI Refunding)	\$1,113,268	\$0	\$1,113,268	\$1,113,268	\$0
Other funding sources	\$0	\$22,243	\$22,243	\$22,243	\$0
Total Sources	\$7,720,338	\$22,243	\$7,742,580	\$7,459,218	\$283,362
Uses of Funds					
<u>Major Improvements</u>					
Road improvements	\$2,140,398	\$8,151	\$2,148,549	\$1,885,264	\$263,284
Water distribution system improvements	\$832,658	\$3,171	\$835,829	\$622,901	\$212,927
Sanitary sewer improvements	\$863,211	\$3,287	\$866,498	\$822,368	\$44,130
Storm drainage improvements	\$234,692	\$894	\$235,586	\$285,968	(\$50,382)
Other soft and miscellaneous costs	\$1,862,415	\$6,741	\$1,869,156	\$2,055,754	(\$186,598)
Subtotal	\$5,933,375	\$22,243	\$5,955,617	\$5,672,255	\$283,362
Bond issuance costs	\$1,786,963	\$0	\$1,786,963	\$1,786,963	\$0
Total Uses	\$7,720,338	\$22,243	\$7,742,580	\$7,459,218	\$283,362

¹ – According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020.

Major Improvement Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Major Improvement cost variances.

Improvement Area #2 Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Improvement Area #2 Local Improvements, including Improvement Area #2's share of the Major Improvement costs and bond issuance costs, were equal to \$16,511,941. As described in the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2019, the actual costs of the Improvement Area #2 Local Improvements, were equal to \$13,659,725, representing a decrease of \$2,878,081 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the PID Bonds were \$3,208,280.

Table II-C on the following page summarizes the updated sources and uses of funds required to (1) construct the Improvement Area #2 Improvements, (2) establish the PID, and (3) issue Improvement Area #2 Refunding and Improvement Bonds. The actual costs spent to date of the Improvement Area #2 Local Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2019. For additional Improvement Area #2 Local Improvement development-related information, refer to the link below:

<https://emma.msrb.org/ER1215154-ER951229-ER1352217.pdf>

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Table II-C
Updated Sources and Uses of Funds
Improvement Area #2 Refunding and Improvement Bonds

Sources of Funds	Initial Budget	Budget Changes ^{1,2}	Revised Budget	Funded to Date ¹	Remaining Balance to be Funded ¹
Bond par amount (Series 2014)	\$3,867,930	\$0	\$3,867,930	\$3,867,930	\$0
Bond Par Amount (Series 2018 MI Refunding)	\$651,732	\$0	\$651,732	\$651,732	\$0
IA #2 Bonds	\$8,673,847	\$0	\$8,673,847	\$8,673,847	\$0
Other funding Sources	\$3,318,432	\$13,021	\$3,331,453	\$466,216	\$2,878,081
Total Sources	\$16,511,941	\$13,021	\$16,524,963	\$13,659,725	\$2,878,081
Uses of Funds					
<i>Major Improvements</i>					
Road improvements	\$1,253,038	\$4,771	\$1,257,809	\$1,103,677	\$0
Water distribution system improvements	\$487,457	\$1,856	\$489,313	\$364,661	\$0
Sanitary sewer improvements	\$505,344	\$1,924	\$507,268	\$481,433	\$178,730
Storm drainage improvements	\$137,394	\$523	\$137,917	\$167,412	\$0
Other soft and miscellaneous costs	\$1,090,301	\$3,946	\$1,094,247	\$1,203,485	\$0
Subtotal	\$3,473,533	\$13,021	\$3,486,555	\$3,320,668	\$178,730
<i>IA #2 Improvements</i>					
Road improvements	\$4,118,714	\$0	\$4,118,714	\$3,213,624	\$905,090
Water distribution system improvements	\$1,100,434	\$0	\$1,100,434	\$745,236	\$355,198
Sanitary sewer improvements	\$1,250,067	\$0	\$1,250,067	\$858,754	\$391,313
Storm drainage improvements	\$608,659	\$0	\$608,659	\$439,758	\$168,901
Other soft and miscellaneous costs	\$2,752,254	\$0	\$2,752,254	\$1,873,405	\$878,849
Subtotal	\$9,830,128	\$0	\$9,830,128	\$7,130,777	\$2,699,351
Bond issuance costs	\$3,208,280	\$0	\$3,208,280	\$3,208,280	\$0
Total Uses	\$16,511,941	\$13,021	\$16,524,963	\$13,659,725	\$2,878,081

1 – Reported budget changes are absorbed in the Major Improvement Area and Improvement Area #2 revised budgets.

2 - According to the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2020.

Improvement Area #2 Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Improvement Area #2 cost variances.

Phase #3B Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Phase #3B Improvements were equal to \$2,885,572. As described in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, the costs spent to date of the Phase #3B Improvements, remain unchanged.

Table II-D below summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements, and (2) establish the PID. The actual costs spent to date of the Phase #3B Improvements were provided by the Developer.

Table II-D
Updated Sources and Uses of Funds
Phase #2 Reimbursement Agreement

Sources of Funds	Initial Budget¹	Budget Changes	Revised Budget^{1,2}	Variance
Par amount	\$2,546,153	\$0	\$2,546,153	\$0
Other funding sources	\$339,419	\$0	\$339,419	
Total Sources	\$2,885,572	\$0	\$2,885,572	\$0
Uses of Funds				
<i><u>Phases #3B Improvements</u></i>				
Road improvements	\$1,209,023	\$0	\$1,209,023	\$0
Water distribution system improvements	\$323,026	\$0	\$323,026	\$0
Sanitary sewer improvements	\$366,949	\$0	\$366,949	\$0
Storm drainage improvements	\$178,668	\$0	\$178,668	\$0
Other soft including Right of Way and miscellaneous costs	\$807,906	\$0	\$807,906	\$0
Total Uses	\$2,885,572	\$0	\$2,885,572	\$0

1 – According to the Service and Assessment Plan as updated for refunding and Phased PID Bond issuance February 20, 2018.

2 – The Developer has not yet submitted disbursements under the Phase #2 Reimbursement Agreement.

Phase #3B Cost Variances

As stated in Table II-D above there are no significant variances between the initial estimated budget and the actual amount spent to be reported at this time.

B. FIVE YEAR SERVICE PLAN

According to the PID Act, a service plan must cover a period of five years. According to the Developer Quarterly Improvement Implementation Report dated December 31, 2017, the Phase #1 Improvements were completed and accepted by the Town on June 24, 2015.

According to the Developer Quarterly Improvement Implementation Report dated June 30, 2018, the Improvement Area #2 Improvements were completed and accepted on January 19, 2018.

According to the Developer Quarterly Improvement Implementation Report dated June 30, 2020, the Phase #3B Improvements were completed and accepted on July 9, 2019.

For additional details regarding the MIA Improvements, refer to the following link for the most recent Developer's Quarterly Improvement Implementation Report.

<https://emma.msrb.org/RE1365642-RE1061210-RE1470822.pdf>

Based upon the actual budget for the Authorized Improvements, the Annual Installments expected to be collected during the next five years is shown in Table II-E below.

Table II-E
Annual Projected Costs and Annual Projected Indebtedness (2014-2026)

Assessment Year ending 09/01	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds	Phase #1 Projected Annual Installments ²	Major Improvement Area Projected Annual Installments ²	Improvement Area #2 Projected Annual Installments	Phase #3B Projected Annual Installments
2014-2020 ¹	\$32,390,700	\$30,895,000	\$1,495,700	\$3,373,657	\$6,597,983	\$2,942,493	\$269,097
2021	\$0	\$0	\$0	\$376,525	\$615,902	\$789,900	\$271,029
2022	\$0	\$0	\$0	\$577,984	\$622,866	\$992,826	\$271,914
2023	\$0	\$0	\$0	\$574,436	\$623,410	\$994,992	\$199,084
2024	\$0	\$0	\$0	\$575,434	\$624,000	\$996,560	\$201,216
2025	\$0	\$0	\$0	\$575,866	\$624,623	\$993,160	\$203,152
2026	\$0	\$0	\$0	\$575,734	\$625,273	\$994,148	\$204,892
Total	\$32,390,700	\$30,895,000	\$1,495,700	\$6,629,636	\$10,334,056	\$8,704,079	\$1,620,384

1 – Assessment years ending 2019 through 2021 reflect actual Annual Installments and are net of applicable reserve fund income, capitalized interest and TIRZ Credits. Assessment years 2022 through 2026 reflect projected Annual Installments and are subject to change.

2 – 2014-20 amounts represent Annual Installments for Series 2014 Improvement Bonds and Series 2018 Refunding and Improvement Bonds.

C. ANNUAL BUDGET – PHASE #1

Phase #1 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment securing the Phase #1 Refunding and Improvement Bonds shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Phase #1 Refunding and Improvement Bonds, of which twenty-four (24) Annual Installments remain outstanding.

Pursuant to the Updated Service and Assessment Plan, each Assessment shall bear interest at the rate on the Phase #1 Refunding and Improvement Bonds. The effective interest rate on the Phase #1 Refunding and Improvement Bonds is 6.52 percent per annum for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phase #1A Bonds (6.52%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments”

of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, applicable Trust Indenture, such the TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #1 Refunding and Improvement Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phase #1 Annual Installments to be Collected for 2020-21

The budget for Phase #1 of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-F on the following page.

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Table II-F
Budget for the Phase #1 Annual Installments
to be Collected for 2020-21

Descriptions	<u>Phase #1 Refunding and Improvement Bonds</u>
Interest payment on March 1, 2021	\$219,195
Interest payment on September 1, 2021	\$219,195
Principal payment on September 1, 2021	\$73,349
<i>Subtotal debt service on bonds</i>	<i>\$511,739</i>
Administrative Expenses	\$33,000
Excess interest for prepayment and delinquency reserves	\$33,634
<i>Subtotal Expenses</i>	<i>\$578,373</i>
Available TIRZ Credit	(\$198,198)
Available reserve fund income	(\$3,651)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$201,849)</i>
Annual Installments	\$376,525

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$219,195 and on September 1, 2021 in the amount of \$219,195, which equal interest on the outstanding Assessments balance of \$6,726,846 for six months each and an effective interest rate of 6.52 percent. Annual Installments to be collected include a principal amount of \$73,349 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$511,739.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-G on the following page, the total Phase #1 administrative expenses to be collected for 2020-21 are estimated to be \$33,000.

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Table II-G
Phase #1 Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$2,200
PID Administrator	\$18,100
Trustee	\$9,500
Auditor	\$1,700
Dissemination Agent	\$0
Contingency	\$1,500
Total	\$33,000

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$198,198 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within Phase #1. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Phase #1 TIRZ Credit calculations are shown in Appendix D-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$523,426, which includes the Bond Reserve Requirement of \$519,775. As a result, the excess balance available to pay the PID debt service is \$3,651 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Phase #1 Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$22,290. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the administrative expense portion of the Annual Installment.

E. ANNUAL INSTALLMENTS PER UNIT - PHASE #1

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Refunding and Improvement Bonds,

to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of Phase #1.

According to the Developer, 210 units representing 177.89 total Equivalent Units are were built within Phase #1 of the PID. The Assessment due from one Lot Type 3 Parcel (Parcel 662606) was prepaid in full, resulting in a total of 177.08 in total outstanding Equivalent Units ($177.89 - 0.81 = 177.08$). Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit (the “Annual Assessment for Principal and Interest”) will be \$3,059.20 (i.e. $\$541,722 \div 177.08 = \$3,059.20$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$186.36 (i.e. $\$33,000 \div 177.08 = \186.36). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #1 will be \$3,245.55 (i.e. $\$3,059.20 + \$186.36 = \$3,245.55$). The Annual Installment to be collected from each Parcel within Phase #1 (before any applicable TIRZ Credit) is calculated by multiplying the Annual Installment for each Equivalent Unit of \$3,245.55 by the total estimated Equivalent Units for each Parcel in Phase #1.

The Annual Installment due to be collected from each Land Use Class in Phase #1 for 2020-21 is shown in Table II-H below.

Table II-H
Annual Installment Per Unit – Phase #1

Land Use Class	Annual Installment¹	Equivalent Unit Factor	Annual Installment Per Unit¹
Lot Type 1 (80' Lot)	\$3,245.55	1.00	\$3,245.55
Lot Type 3 (60' Lot)	\$3,245.55	0.81	\$2,628.90

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Phase #1 of the PID, the estimated number of units to be developed on the current residential Parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix D-1.

F. ANNUAL BUDGET – MAJOR IMPROVEMENT AREA

Major Improvement Area - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Major Improvement Area Refunding Bonds. As a result of the Major Improvement Area Refunding Bonds issuance, the timing and structure of the Annual Installments were adjusted to allow the repayment to occur over thirty annual installments beginning with the tax year following the issuance of the Major Improvement Area Refunding Bonds, of which twenty-eight (28) Annual Installments remain outstanding.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Major Improvement Area Refunding Bonds commencing with the issuance of the Major Improvement Area Refunding Bonds. The effective interest rate on the Major Improvement Area Refunding Bonds is 8.16 percent for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Major Improvement Area Refunding Bonds (8.16%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Bond Ordinance, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Major Improvement Area Refunding Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Major Improvement Area Annual Installments to be Collected for 2020-21

The budget for Major Improvement Area of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-I on the following page.

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Table II-I
Budget for the Major Improvement Area Annual Installments
to be Collected for 2020-21

Descriptions	<u>Major Improvement Area</u> <u>Refunding Bonds</u>
Interest payment on March 1, 2021	\$265,181
Interest payment on September 1, 2021	\$265,181
Principal payment on September 1, 2021	\$28,326
<i>Subtotal debt service on bonds</i>	<i>\$558,688</i>
Administrative Expenses	\$41,600
Excess interest for prepayment and delinquency reserves	\$32,484
<i>Subtotal Expenses</i>	<i>\$632,771</i>
Available TIRZ Credit	(\$10,751)
Available reserve fund income	(\$6,118)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$16,869)</i>
Annual Installments	\$615,902

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$265,181 and on September 1, 2021 in the amount of \$265,181 which equal interest on the outstanding Major Improvement Area Assessments balance of \$6,496,701 for six months each and an effective interest rate of 8.16 percent. Annual Installments to be collected include a principal amount of \$28,326 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$558,688.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-J on the following page, the total Major Improvement Area administrative expenses to be collected for 2020-21 are estimated to be \$41,600.

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Table II-J
Major Improvement Area Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$6,900
PID Administrator	\$18,800
Trustee	\$8,500
Auditor	\$5,400
Dissemination Agent	\$0
Contingency	\$2,000
Total	\$41,600

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$10,751 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within the Major Improvement Area of the PID. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Major Improvement Area TIRZ Credit calculations are shown in Appendix E-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$566,555, which includes the Bond Reserve Requirement of \$560,438. As a result, the excess balance available to pay the PID debt service is \$6,118 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Major Improvement Area Refunding Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$38,456. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the Annual Installment.

G. ANNUAL INSTALLMENTS PER UNIT – MAJOR IMPROVEMENT AREA

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Major Improvement Area Bonds, to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of the Major Improvement Area.

According to the Updated Service and Assessment Plan, 656 units representing 539.20 total Equivalent Units are estimated to be built within the Major Improvement Area of the PID. Accordingly, the Annual Assessment for Principal and Interest portion of Annual Installment to be collected from each Equivalent Unit will be \$1,085.04 (i.e. $\$585,053 \div 539.20 = \$1,085.04$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$77.15 (i.e. $\$41,600 \div 539.20 = \77.15). As a result, the total Annual Installment to be collected from each Equivalent Unit within the Major Improvement Area will be \$1,162.19 (i.e. $\$1,085.04 + \$77.15 = \$1,162.19$). The Annual Installment to be collected from each Parcel within the Major Improvement Area is calculated by multiplying the Annual Installment for each Equivalent Unit of \$1,162.19 by the total estimated Equivalent Units for each Parcel in the Major Improvement Area.

The Annual Installment due to be collected from each Land Use Class in the Major Improvement Area for 2020-21 is shown in Table II-K below.

Table II-K
Annual Installment Per Unit – Major Improvement Area

Land Use Class	Annual Installment ¹	Equivalent Unit Factor	Annual Installment Per Unit ¹
Lot Type 1 (80' Lot)	\$1,162.19	1.00	\$1,162.19
Lot Type 2 (70' Lot)	\$1,162.19	0.92	\$1,069.22
Lot Type 3 (60' Lot)	\$1,162.19	0.81	\$941.37
Lot Type 4 (50' Lot)	\$1,162.19	0.76	\$883.26
Lot Type 5 (40' Lot)	\$1,162.19	0.65	\$755.42
Lot Type 6 (25' Lot)	\$1,162.19	0.47	\$546.23

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within the Major Improvement Area of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix E-1.

H. ANNUAL BUDGET – IMPROVEMENT AREA #2

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment securing the Improvement Area #2 Refunding and Improvement Bonds shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Improvement Area #2 Refunding and Improvement Bonds, of which twenty-eight (28) Annual Installments remain outstanding.

Pursuant to the Updated Service and Assessment Plan, each Assessment shall bear interest at the rate on the Improvement Area #2 Refunding and Improvement Bonds. The effective interest rate on the Improvement Area #2 Refunding and Improvement Bonds is 6.22 percent per annum for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Improvement Area #2 Refunding and Improvement Bonds (6.22%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, such as the TIRZ Credit and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Improvement Area #2 Refunding and Improvement Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment reserve and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Improvement Area #2 - Annual Installments to be Collected for 2020-21

The budget for Improvement Area #2 of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-L on the following page.

Table II-L
Budget for the Improvement Area #2 Annual Installments
to be Collected for 2020-21

Descriptions	<u>Improvement Area #2 Refunding and Improvement Bonds</u>
Interest payment on March 1, 2021	\$380,072
Interest payment on September 1, 2021	\$380,072
Principal payment on September 1, 2021	\$141,187
<i>Subtotal debt service on bonds</i>	<i>\$901,332</i>
Administrative Expenses	\$39,600
Excess interest for prepayment and delinquency reserves	\$61,104
<i>Subtotal Expenses</i>	<i>\$1,002,036</i>
Available TIRZ Credit	(\$202,285)
Available reserve fund income	(\$9,851)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$212,136)</i>
Annual Installments	\$789,900

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$380,072 and on September 1, 2021 in the amount of \$380,072 which equal interest on the outstanding Improvement Area #2 Assessments balance of \$12,220,831 for six months each and an effective interest rate of 6.22 percent. Annual Installments to be collected include a principal amount of \$141,187 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$901,332.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-M on the following page, the Improvement Area #2 total administrative expenses to be collected for 2020-21 are estimated to be \$39,600.

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Table II-M
Improvement Area #2 Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$4,700
PID Administrator	\$19,400
Trustee	\$9,900
Auditor	\$3,700
Dissemination Agent	\$0
Contingency	\$1,900
Total	\$39,600

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$202,285 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within Improvement Area #2 of the PID. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Improvement Area #2 TIRZ Credit calculations are shown in Appendix F-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$905,125, which includes the Bond Reserve Requirement of \$914,976. As a result, the excess balance available to pay the PID debt service is \$9,851 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Improvement Area #2 Refunding Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$21,220. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the Annual Installment.

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I. ANNUAL INSTALLMENTS PER UNIT – IMPROVEMENT AREA #2

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Improvement Area #2 Refunding and Improvement Bonds, to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of Improvement Area #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel.

According to the Developer, 444 units representing 315.66 total Equivalent Units are expected to be built within Improvement Area #2 of the PID. The Assessment due from one Lot Type 5 Parcel (Parcel 717668) was prepaid in full, resulting in a total of 315.01 in total outstanding Equivalent Units ($315.66 - 0.65 = 315.01$). Accordingly, the Annual Assessment for Principal and Interest to be collected will be \$952,585 (i.e. $\$952,585 \div 315.01 = \$3,023.98$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$125.71 (i.e. $\$39,600 \div 315.01 = \125.71). As a result, the total Annual Installment to be collected from each Equivalent Unit within Improvement Area #2 will be \$3,149.69 (i.e. $\$3,023.98 + \$125.71 = \$3,149.69$). The Annual Installment to be collected from each Parcel within Improvement Area #2 (before any applicable TIRZ Credit) is calculated by multiplying the Annual Installment for each Equivalent Unit of \$3,149.69 by the total estimated Equivalent Units for each Parcel in Improvement Area #2.

The Annual Installment due to be collected from each Land Use Class in the Improvement Area #2 for 2020-21 is shown in Table II-N below.

Table II-N
Annual Installment Per Unit – Improvement Area #2

Land Use Class	Annual Installment¹	Equivalent Unit Factor	Annual Installment Per Unit¹
Lot Type 3 (60' Lot)	\$3,149.69	0.81	\$2,551.25
Lot Type 4 (50' Lot)	\$3,149.69	0.76	\$2,393.77
Lot Type 5 (40' Lot)	\$3,149.69	0.65	\$2,047.30

1 – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Improvement Area #2 of the PID, the estimated number of units to be developed on the current residential Parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2019-20 are shown in the Assessment Roll summary attached hereto as Appendix F-1.

J. ANNUAL BUDGET – PHASE #3B

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the timeframe stipulated in the 2017 annual updates and Ordinance No. 1441 approved by Town Council on December 19, 2017 (the “Deferral Ordinance”) following the conditions stipulated in the Deferral Ordinance for the collection of Annual Installments within Phase #2.

Pursuant to the Deferral Ordinance, the collection of the Assessment associated with the Phase #2 Improvements (which includes the Phase #3B Local Improvements), including the Phase #2 Annual Installments reflected in the Annual Service Plan Update was deferred until the earlier of (i) the date Assessments to support one or more bonds issued to finance Authorized Improvements within the PID are levied or (ii) June 5, 2019, the date immediately preceding the two year anniversary of the levy of Assessments on property (excluding non-benefitted property) located within Phase #2 of the PID. The Assessments shall be due and payable as Annual Installments due for the Phase #2 Improvements without any interest or penalty for past due payments and will be processed in the same manner as other Assessments related to improvements and expenses within the PID are processed, which Assessments shall be due and payable by January 31 of the calendar year immediately following the item reflected in (i) or (ii) above, as applicable.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Phase #3B Reimbursement Agreement commencing with the issuance of the Phase #3B Reimbursement Agreement. The effective interest rate on the Phase #3B Reimbursement Agreement is 9.01 percent for 2020-21. Accordingly, the effective interest rate on the Phase #3B Reimbursement Agreement (9.01%) are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Bond Ordinance, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #3B Reimbursement Agreement from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

Phase #3B Reimbursement Agreement Annual Installments to be Collected for 2020-21

The budget for Phase #3B of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-O below.

Table II-O
Budget for the Phase #3B Annual Installments
to be Collected for 2020-21

	<u>Phase #3B Reimbursement Agreement</u>
Interest payment on March 1, 2021	\$113,835
Interest payment on September 1, 2021	\$113,835
Principal payment on September 1, 2021	\$21,558
<i>Subtotal debt service on reimbursement agreement</i>	\$249,229
Administrative Expenses	\$21,800
<i>Subtotal Expenses</i>	\$271,029
Available TIRZ Credit	\$0
Available reserve fund income	\$0
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	\$0
Annual Installments	\$271,029

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$113,835 and on September 1, 2021 in the amount of \$113,835 which equal interest on the outstanding Phase #3B Reimbursement Assessment balance of \$2,526,864 for six months each and an effective interest rate of 9.01 percent. Annual Installments to be collected include a principal amount of \$21,558 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$249,229.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, auditor expenses and contingency fees. As shown in Table II-P on the following page, the Improvement Area #2 total administrative expenses to be collected for 2020-21 are estimated to be \$21,800.

Table II-P
Phase #3B Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$1,500
PID Administrator	\$18,100
Trustee	\$0
Auditor	\$1,200
Dissemination Agent	\$0
Contingency	\$1,000
Total	\$21,800

K. ANNUAL INSTALLMENTS PER UNIT - PHASE #3B

According to the Updated Service and Assessment Plan, 139 units representing 92.66 total Equivalent Units are estimated to be built within Phase #3B of the PID. Accordingly, the Annual Assessment for Principal and Interest portion of Annual Installment to be collected from each Equivalent Unit will be \$2,689.71 (i.e. $\$249,229 \div 92.66 = \$2,689.71$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$235.71 (i.e. $\$21,800 \div 92.66 = \235.71). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #3B will be \$2,924.98 (i.e. $\$2,689.71 + \$235.27 = \$2,924.98$). The Annual Installment to be collected from each Parcel within Phase #3B is calculated by multiplying the Annual Installment for each Equivalent Unit of \$2,924.98 by the total estimated Equivalent Units for each Parcel in Phase #3B.

The Annual Installment due to be collected from each Land Use Class in Phase #3B for 2020-21 is shown in Table II-Q below.

Table II-Q
Annual Installment Per Unit – Phase #3B

Land Use Class	Annual Installment ¹	Equivalent Unit Factor	Annual Installment Per Unit ¹
Lot Type 4 (50' Lot)	\$2,924.98	0.76	\$2,222.99
Lot Type 5 (40' Lot)	\$2,924.98	0.65	\$1,901.24

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Phase #3B of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix G.

L. BOND REDEMPTION RELATED UPDATES

Phase #1 Refunding and Improvement Bonds

The Phase #1 Refunding and Improvement Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Phase #1 Refunding and Improvement Bonds, the Town reserves the right and option to redeem the Phase #1 Refunding and Improvement Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

Major Improvement Area Refunding Bonds

The Major Improvement Area Refunding Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Major Improvement Area Refunding Bonds, the Town reserves the right and option to redeem the Major Improvement Area Refunding Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

Improvement Area #2 Refunding and Improvement Bonds

The Improvement Area #2 Refunding and Improvement Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Improvement Area #2 Refunding and Improvement Bonds, the Town reserves the right and option to redeem the Improvement Area #2 Refunding and Improvement Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

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III. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan adopted by the Town Council provided that the Authorized Improvement Costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement Costs to Parcels similarly benefited.

Assessment Methodology

This method of assessing property has not been changed other than those described in the initial Annual Service Plan Update for 2016 approved on August 2, 2016 and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

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IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the original Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

(i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix D-1, E-1, F-1 and G. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the estimated Equivalent Units to be built on each newly subdivided Parcel

D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Denton County CAD online records, Phase #3B of the PID were subdivided in 2019 and the Assessments were allocated proportionally according to lot type. The various Phase #3B Lots were officially recognized within the Denton County Appraisal District records for 2020.

Table IV-A on the following page shows the allocation of Phase #3B Assessments prior to and after subdivision.

Table IV-A
Phase #3B Parcel Subdivisions

Prior to Subdivision				After Subdivision						
Parcel	Projected Number of Units	Equivalent Units	Total PID Assessments	Parcel	Lot Type	Equivalent Unit per Lot Type	Number of Units	Total Equivalent Units	Assessment per Unit	Total PID Assessments
692364	139	92.66	\$2,546,153	Various	4 (50' Lot)	0.76	21	15.96	\$20,884	\$438,556
				Various	5 (40' Lot)	0.65	118	76.70	\$17,861	\$2,107,597
Total	139	92.66	\$2,546,153				139	92.66		\$2,546,153

B. PREPAYMENT OF ASSESSMENTS

Phase #1 Assessments for Parcel 662606 and Improvement Area #2 Assessments for 717668 have been prepaid in full as of July 31, 2020.

The complete Assessment Roll is available for review at the Town Hall, located at 100 W Eldorado Pkwy, Little Elm, Texas 75068.

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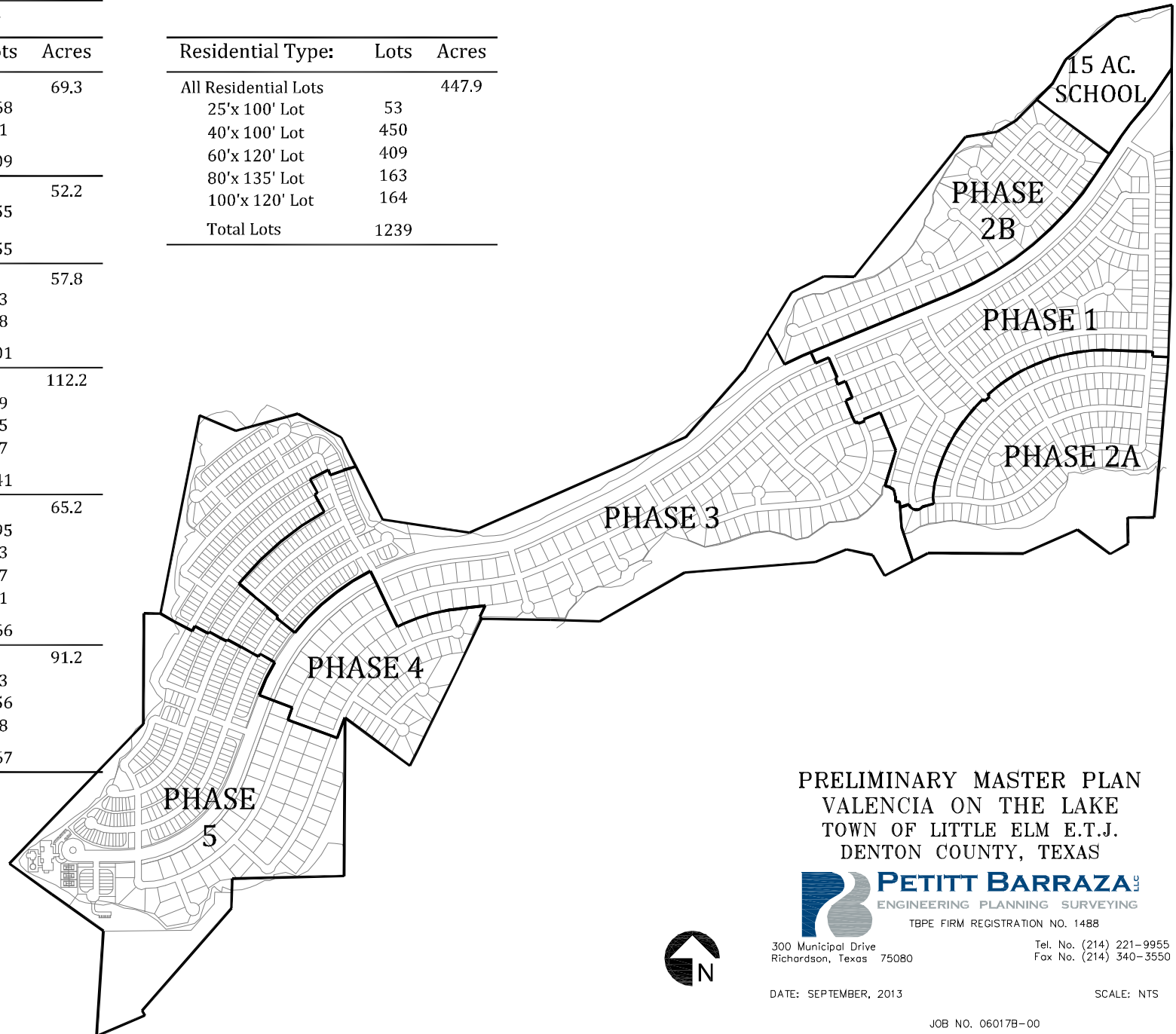
APPENDIX A
PID MAP

Landplan A

data summary

Residential Type:	Lots	Acres
Phase 1		69.3
60'x 112' Lot	168	
80'x 135' Lot	41	
Total Lots	209	
Phase 2A		52.2
60'x 120' Lot	155	
Total Lots	155	
Phase 2B		57.8
60'x 120' Lot	63	
100'x 120' Lot	38	
Total Lots	101	
Phase 3		112.2
40'x 100' Lot	99	
80'x 135' Lot	95	
100'x 120' Lot	47	
Total Lots	241	
Phase 4		65.2
40'x 100' Lot	195	
60'x 120' Lot	23	
80'x 135' Lot	27	
100'x 120' Lot	21	
Total Lots	266	
Phase 5		91.2
25'x 100' Lot	53	
40'x 100' Lot	156	
100'x 120' Lot	58	
Total Lots	267	

Residential Type:	Lots	Acres
All Residential Lots		447.9
25'x 100' Lot	53	
40'x 100' Lot	450	
60'x 120' Lot	409	
80'x 135' Lot	163	
100'x 120' Lot	164	
Total Lots	1239	



PRELIMINARY MASTER PLAN VALENCIA ON THE LAKE TOWN OF LITTLE ELM E.T.J. DENTON COUNTY, TEXAS



300 Municipal Drive
Richardson, Texas 75080

Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013

SCALE: NTS

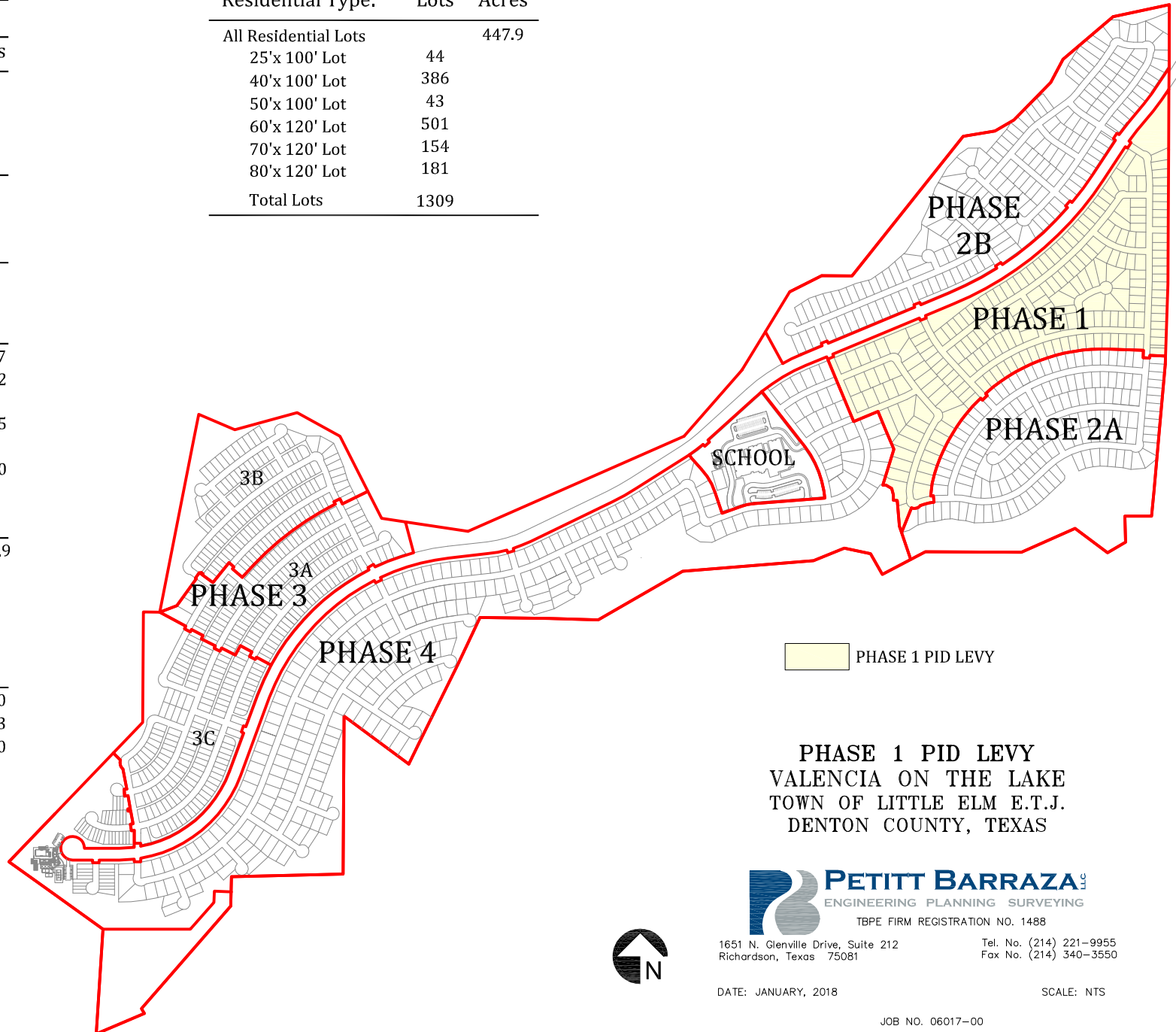
JOB NO. 06017B-00

Concept Plan 16

data summary

Residential Type:	Lots	Acres
Phase 1		62.4
60'x 120' Lot	169	
80'x 135' Lot	41	
Total Lots	210	
Phase 2A		51.9
60'x 120' Lot	154	
Total Lots	154	
Phase 2B		57.7
60'x 120' Lot	175	
Total Lots	175	
Phase 3		80.7
3A 40'x 100' Lot	126	24.2
3A 50'x 100' Lot	14	
3B 40'x 100' Lot	118	28.5
3B 50'x 100' Lot	21	
3C 40'x 100' Lot	142	28.0
3C 50'x 100' Lot	8	
Total Lots	429	
Phase 4		149.9
25'x 100' Lot	44	
60'x 120' Lot	3	
70'x 120' Lot	154	
80'x 120' Lot	140	
Total Lots	341	
Rockhill Parkway		23.0
School Site		12.3
Open Space		10.0

Residential Type:	Lots	Acres
All Residential Lots		447.9
25'x 100' Lot	44	
40'x 100' Lot	386	
50'x 100' Lot	43	
60'x 120' Lot	501	
70'x 120' Lot	154	
80'x 120' Lot	181	
Total Lots	1309	



PHASE 1 PID LEVY
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA
 ENGINEERING PLANNING SURVEYING
 TBPE FIRM REGISTRATION NO. 1488

1651 N. Glenville Drive, Suite 212
 Richardson, Texas 75081

Tel. No. (214) 221-9955
 Fax No. (214) 340-3550

DATE: JANUARY, 2018

SCALE: NTS

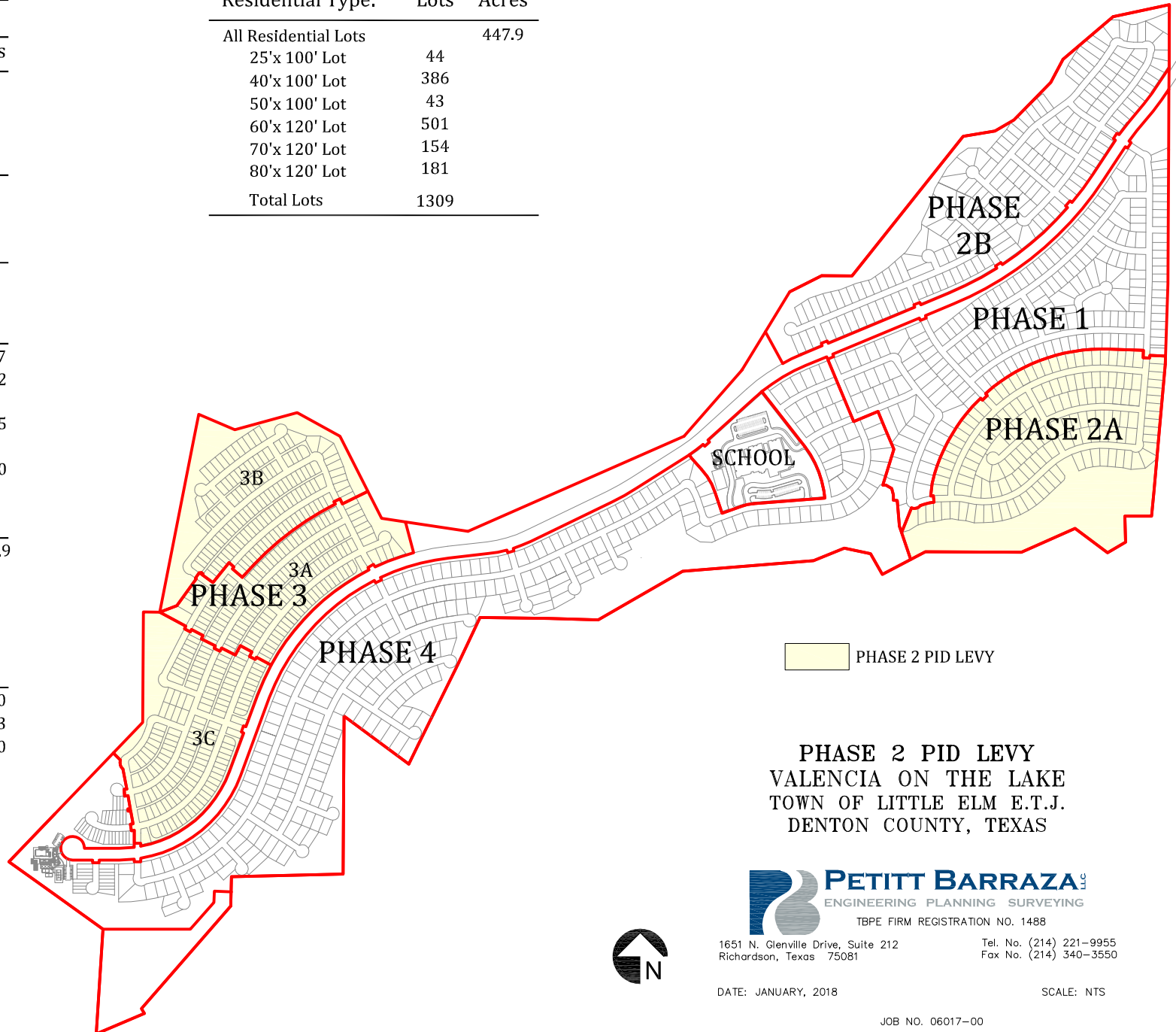
JOB NO. 06017-00

Concept Plan 16

data summary

Residential Type:	Lots	Acres
Phase 1		62.4
60'x 120' Lot	169	
80'x 135' Lot	41	
Total Lots	210	
Phase 2A		51.9
60'x 120' Lot	154	
Total Lots	154	
Phase 2B		57.7
60'x 120' Lot	175	
Total Lots	175	
Phase 3		80.7
3A 40'x 100' Lot	126	24.2
3A 50'x 100' Lot	14	
3B 40'x 100' Lot	118	28.5
3B 50'x 100' Lot	21	
3C 40'x 100' Lot	142	28.0
3C 50'x 100' Lot	8	
Total Lots	429	
Phase 4		149.9
25'x 100' Lot	44	
60'x 120' Lot	3	
70'x 120' Lot	154	
80'x 120' Lot	140	
Total Lots	341	
Rockhill Parkway		23.0
School Site		12.3
Open Space		10.0

Residential Type:	Lots	Acres
All Residential Lots		447.9
25'x 100' Lot	44	
40'x 100' Lot	386	
50'x 100' Lot	43	
60'x 120' Lot	501	
70'x 120' Lot	154	
80'x 120' Lot	181	
Total Lots	1309	



PHASE 2 PID LEVY
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA
 ENGINEERING PLANNING SURVEYING
 TBPE FIRM REGISTRATION NO. 1488

1651 N. Glenville Drive, Suite 212
 Richardson, Texas 75081

Tel. No. (214) 221-9955
 Fax No. (214) 340-3550

DATE: JANUARY, 2018

SCALE: NTS

JOB NO. 06017-00

Concept Plan 16

data summary

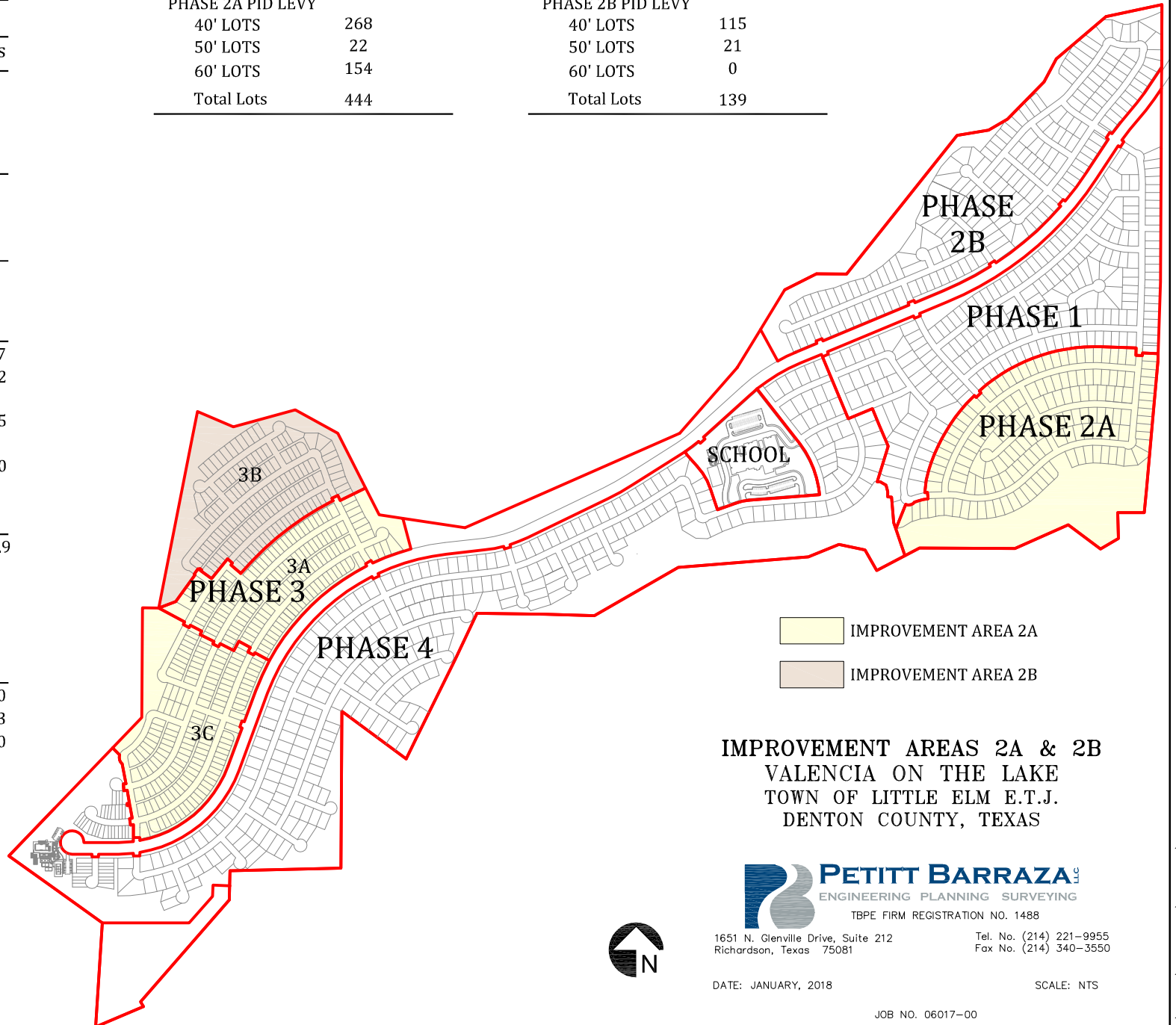
Residential Type:	Lots	Acres
Phase 1		62.4
60'x 120' Lot	169	
80'x 135' Lot	41	
Total Lots	210	
Phase 2A		51.9
60'x 120' Lot	154	
Total Lots	154	
Phase 2B		57.7
60'x 120' Lot	175	
Total Lots	175	
Phase 3		80.7
3A 40'x 100' Lot	126	24.2
3A 50'x 100' Lot	14	
3B 40'x 100' Lot	118	28.5
3B 50'x 100' Lot	21	
3C 40'x 100' Lot	142	28.0
3C 50'x 100' Lot	8	
Total Lots	429	
Phase 4		149.9
25'x 100' Lot	44	
60'x 120' Lot	3	
70'x 120' Lot	154	
80'x 120' Lot	140	
Total Lots	341	
Rockhill Parkway		23.0
School Site		12.3
Open Space		10.0

IMPROVEMENT AREA 2A

PHASE 2A PID LEVY	
40' LOTS	268
50' LOTS	22
60' LOTS	154
Total Lots	444

IMPROVEMENT AREA 2B

PHASE 2B PID LEVY	
40' LOTS	115
50' LOTS	21
60' LOTS	0
Total Lots	139



APPENDIX B
PREPAID PARCELS

APPENDIX B
LIST OF PREPAID PARCELS

Parcel ID	Prepayment Date	Amount	Full/Partial
662606	5/25/2018	\$31,554.88	Full
717668	12/13/2019	\$25,817.82	Full

APPENDIX C
ASSESSED VALUES

Appendix C
Valencia on the Lake Public Improvement District
Assessed Value By Phase

Phase	Parcels	2020 Assessed Value^{5,6}
Phase #1 ¹	215	\$78,493,175
Phase IA #2 ²	453	\$114,175,058
Phase #3B ³	140	\$10,231,812
MIA ⁴	5	\$389,565
Total	813	\$203,289,610

1 - Parcels include two hundred and ten residential lots and five homeowner's association lots.

2 - Parcels include four hundred and forty four residential lots, eight non-residential lots, and one homeowner's association lot.

3 - Parcels include one hundred and thirty nine residential lots and one non-residential lot.

4 - Parcels include five parent parcels that have yet to be subdivided for the 2020-21 Assessment year.

5 - Parcel assessed values are in accordance with Denton Central Appraisal District online records as of August 3, 2020.

6 - Values shown reflect the 2020 preliminary assessed values.

APPENDIX D-1
PHASE #1 ASSESSMENT ROLL SUMMARY – 2020-21

Appendix D-1
Assessment Roll Summary - Phase #1
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
R662496	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,069.34)	\$1,559.56
R662497	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$249.60)	\$2,379.30
R662498	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$249.60)	\$2,379.30
R662499	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$249.60)	\$2,379.30
R662500	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$249.60)	\$2,379.30
R662501	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,159.94)	\$1,468.96
R662502	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,124.82)	\$1,504.08
R662503	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,173.81)	\$1,455.09
R662504	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,237.83)	\$1,391.07
R662505	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,126.97)	\$1,501.93
R662506	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$941.71)	\$1,687.19
R662507	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$255.03)	\$2,373.87
R662508	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$274.69)	\$2,354.20
R662509	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$253.76)	\$2,375.14
R662510	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$237.20)	\$2,391.70
R662511	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$918.43)	\$1,710.47
R662512	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$870.36)	\$1,758.54
R744816	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$537.33)	\$2,091.57
R662514	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,053.30)	\$1,575.59
R662515	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,174.78)	\$1,454.12
R662516	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,055.93)	\$1,572.96
R662517	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,057.85)	\$1,571.04
R662518	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$992.53)	\$1,636.37
R662519	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$908.62)	\$1,720.27
R662520	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,058.56)	\$1,570.34
R662521	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,092.53)	\$1,536.37
R662522	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,132.50)	\$1,496.40
R662523	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,111.12)	\$1,517.78
R662524	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$881.23)	\$1,747.67
R662525	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,289.60)	\$1,339.30
R662526	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$427.02)	\$2,201.88
R662527	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,186.85)	\$1,442.05
R662528	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R662529	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,318.39)	\$1,310.51
R662530	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,234.74)	\$1,394.16
R662531	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,126.59)	\$1,502.31
R662532	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,073.58)	\$1,555.31
R662533	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	\$0.00	\$2,628.90
R662534	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$742.06)	\$1,886.83
R662535	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$694.90)	\$1,934.00
R662536	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$766.56)	\$1,862.34
R662537	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$529.92)	\$2,098.98
R662538	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,147.01)	\$1,481.89
R662539	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,066.37)	\$1,562.52
R662540	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,293.67)	\$1,335.23
R662541	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$601.41)	\$2,027.48
R662542	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,253.96)	\$1,374.94
R662543	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,260.89)	\$1,368.01
R662544	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,296.96)	\$1,331.94
R662545	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,361.29)	\$1,267.61
R662546	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,172.89)	\$1,456.00
R662547	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,186.85)	\$1,442.05
R662548	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,056.86)	\$1,572.03
R662549	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,018.97)	\$1,609.93
R662550	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,055.31)	\$1,573.59
R662551	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,046.34)	\$1,582.56
R662552	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$183.94)	\$2,444.96
R662553	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$157.62)	\$2,471.28
R662554	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,018.56)	\$1,610.33
R662555	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,091.18)	\$1,537.71

Appendix D-1
Assessment Roll Summary - Phase #1
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
R662556	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$365.49)	\$2,263.40
R662557	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,141.15)	\$1,487.74
R662558	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,055.06)	\$1,573.84
R662559	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,103.14)	\$1,525.76
R662560	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,032.68)	\$1,596.22
R662561	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,001.50)	\$1,627.40
R662562	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$986.55)	\$1,642.35
R662563	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,018.07)	\$1,610.83
R662564	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,193.20)	\$1,435.70
R662565	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$683.01)	\$1,945.89
R662566	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$790.73)	\$1,838.17
R662567	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$262.56)	\$2,366.34
R662568	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$156.48)	\$2,472.41
R662569	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,021.94)	\$1,606.96
R662570	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,162.32)	\$1,466.58
R662571	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,055.31)	\$1,573.59
R662572	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$998.21)	\$1,630.69
R662573	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,134.87)	\$1,494.03
R662574	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,061.75)	\$1,567.14
R662575	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$955.88)	\$1,673.01
R662576	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,234.72)	\$1,394.18
R662577	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,150.98)	\$1,477.92
R662578	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$148.52)	\$2,480.38
R662579	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$500.42)	\$2,128.48
R662580	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,107.24)	\$1,521.65
R662581	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,291.70)	\$1,337.20
R662582	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R662583	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,269.73)	\$1,359.16
R662584	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,005.09)	\$1,623.81
R662585	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,221.89)	\$1,407.00
R662586	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$944.71)	\$1,684.19
R662587	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,001.47)	\$1,627.43
R662588	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,037.76)	\$1,591.14
R662589	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,198.26)	\$1,430.64
R662590	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,171.66)	\$1,457.24
R662591	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,007.82)	\$1,621.08
R662592	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,189.43)	\$1,439.47
R662593	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,227.87)	\$1,401.03
R662594	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,204.79)	\$1,424.11
R662595	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,221.89)	\$1,407.00
R662596	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$907.29)	\$1,721.61
R662597	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,031.39)	\$1,597.50
R662598	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R662599	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,046.34)	\$1,582.56
R662600	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,007.94)	\$1,620.95
R662601	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$960.00)	\$1,668.90
R662602	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$961.72)	\$1,667.17
R662603	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,323.13)	\$1,305.76
R662604	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,391.12)	\$1,237.78
R662605	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,037.52)	\$1,591.38
R662606	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid	Prepaid
R662607	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$196.34)	\$2,432.56
R662608	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$507.48)	\$2,121.42
R662609	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,268.05)	\$1,360.85
R662610	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	\$0.00	\$2,628.90
R662611	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,156.08)	\$1,472.82
R662612	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,052.27)	\$1,576.63
R662613	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,047.09)	\$1,581.81
R662614	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$820.19)	\$1,808.70
R662615	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$924.55)	\$1,704.34

Appendix D-1
Assessment Roll Summary - Phase #1
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
R662616	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,015.28)	\$1,613.62
R662617	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,106.13)	\$1,522.77
R662618	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,318.02)	\$1,310.88
R662619	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,180.87)	\$1,448.03
R662620	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,124.62)	\$1,504.28
R662621	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$995.20)	\$1,633.70
R662622	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,027.05)	\$1,601.85
R662623	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$937.77)	\$1,691.13
R662624	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,188.78)	\$1,440.11
R662625	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,067.30)	\$1,561.60
R662626	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$986.55)	\$1,642.35
R662627	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$595.16)	\$2,033.74
R662628	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,229.92)	\$1,398.98
R662629	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$792.58)	\$1,836.31
R662630	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$516.78)	\$2,112.12
R662631	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$556.35)	\$2,072.55
R662632	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,164.41)	\$1,464.49
R662633	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,150.98)	\$1,477.92
R662634	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$916.44)	\$1,712.46
R662635	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,108.14)	\$1,520.76
R662636	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$956.65)	\$1,672.24
R662637	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,054.09)	\$1,574.81
R662638	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,054.09)	\$1,574.81
R662639	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,210.77)	\$1,418.13
R662640	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,231.69)	\$1,397.21
R662641	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,310.59)	\$1,318.31
R662642	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,440.52)	\$1,188.37
R662643	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,043.08)	\$1,585.81
R662644	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,079.24)	\$1,549.66
R662645	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,234.20)	\$1,394.70
R662646	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,073.64)	\$1,555.26
R662647	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,193.97)	\$1,434.93
R662648	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,323.62)	\$1,305.28
R662649	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,144.17)	\$1,484.73
R662650	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,140.87)	\$1,488.03
R662651	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,018.79)	\$1,610.10
R662652	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,020.18)	\$1,608.72
R662653	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$753.10)	\$1,875.80
R662654	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,223.39)	\$1,405.51
R662655	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,314.00)	\$1,931.55
R662656	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	\$0.00	\$3,245.55
R662657	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,072.19)	\$2,173.36
R662658	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$810.66)	\$2,434.89
R662659	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,164.66)	\$2,080.89
R662660	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	\$0.00	\$3,245.55
R662661	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$205.66)	\$3,039.89
R662662	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$822.04)	\$2,423.51
R662663	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,343.51)	\$1,902.04
R662664	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,331.35)	\$1,914.21
R662665	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,240.26)	\$2,005.29
R662666	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,237.41)	\$2,008.14
R662667	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	\$0.00	\$3,245.55
R662668	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,381.88)	\$1,863.67
R662669	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$796.39)	\$2,449.16
R662670	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	\$0.00	\$3,245.55
R662671	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$903.19)	\$2,342.36
R662672	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$859.93)	\$2,385.62
R662673	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,046.91)	\$2,198.64
R662674	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,341.05)	\$1,904.50
R662675	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$207.29)	\$3,038.27

Appendix D-1
Assessment Roll Summary - Phase #1
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
R662676	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R662677	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,062.16)	\$1,566.74
R662678	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$154.71)	\$2,474.19
R662679	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$154.71)	\$2,474.19
R662680	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,326.44)	\$1,302.45
R662681	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,020.98)	\$1,607.92
R662682	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$907.72)	\$1,721.18
R662683	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,091.18)	\$1,537.71
R662684	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$936.79)	\$1,692.11
R662685	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	\$0.00	\$2,628.90
R662686	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,212.75)	\$1,416.14
R662687	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,042.48)	\$1,586.41
R662688	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,247.36)	\$1,381.53
R662689	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,341.57)	\$1,903.98
R662690	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,237.87)	\$2,007.68
R662691	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,254.64)	\$1,990.92
R662692	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$548.54)	\$2,697.02
R662693	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$671.14)	\$2,574.42
R662694	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$587.38)	\$2,658.17
R662695	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$807.56)	\$2,437.99
R662696	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,221.63)	\$2,023.93
R662697	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,165.10)	\$2,080.45
R662698	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,106.13)	\$2,139.42
R662699	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,482.75)	\$1,762.81
R662700	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,378.38)	\$1,867.18
R662701	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,246.64)	\$1,998.91
R662702	1	3	0.81	\$30,769.96	\$335.52	\$1,988.58	\$153.85	\$150.95	(\$1,195.82)	\$1,433.08
R662703	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,197.69)	\$2,047.86
R662704	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,238.53)	\$2,007.02
R662705	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	\$0.00	\$3,245.55
R662706	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,186.85)	\$2,058.71
R662707	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,281.49)	\$1,964.06
R662708	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$732.92)	\$2,512.63
R662709	1	1	1.00	\$37,987.61	\$414.22	\$2,455.04	\$189.94	\$186.36	(\$1,281.37)	\$1,964.18
R662710	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	209		177.08	\$6,726,845.66	\$73,349.47	\$434,738.58	\$33,634.23	\$33,000.00	(\$198,197.77)	\$376,524.51

APPENDIX D-2
PHASE #1 TIRZ CREDIT CALCULATIONS – 2020-21

Appendix D-2
TIRZ Credit Calculation - Phase #1
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
R662496	\$0.00	\$2,324.65	\$2,324.65	(\$1,069.34)
R662497	\$0.00	\$542.60	\$542.60	(\$249.60)
R662498	\$0.00	\$542.60	\$542.60	(\$249.60)
R662499	\$0.00	\$542.60	\$542.60	(\$249.60)
R662500	\$0.00	\$542.60	\$542.60	(\$249.60)
R662501	\$0.00	\$2,521.61	\$2,521.61	(\$1,159.94)
R662502	\$0.00	\$2,445.25	\$2,445.25	(\$1,124.82)
R662503	\$0.00	\$2,551.76	\$2,551.76	(\$1,173.81)
R662504	\$0.00	\$2,690.93	\$2,690.93	(\$1,237.83)
R662505	\$0.00	\$2,449.93	\$2,449.93	(\$1,126.97)
R662506	\$0.00	\$2,047.19	\$2,047.19	(\$941.71)
R662507	\$0.00	\$554.41	\$554.41	(\$255.03)
R662508	\$0.00	\$597.16	\$597.16	(\$274.69)
R662509	\$0.00	\$551.65	\$551.65	(\$253.76)
R662510	\$0.00	\$515.65	\$515.65	(\$237.20)
R662511	\$0.00	\$1,996.58	\$1,996.58	(\$918.43)
R662512	\$0.00	\$1,892.09	\$1,892.09	(\$870.36)
R744816	\$0.00	\$1,168.10	\$1,168.10	(\$537.33)
R662514	\$0.00	\$2,289.79	\$2,289.79	(\$1,053.30)
R662515	\$0.00	\$2,553.87	\$2,553.87	(\$1,174.78)
R662516	\$0.00	\$2,295.51	\$2,295.51	(\$1,055.93)
R662517	\$0.00	\$2,299.68	\$2,299.68	(\$1,057.85)
R662518	\$0.00	\$2,157.67	\$2,157.67	(\$992.53)
R662519	\$0.00	\$1,975.27	\$1,975.27	(\$908.62)
R662520	\$0.00	\$2,301.22	\$2,301.22	(\$1,058.56)
R662521	\$0.00	\$2,375.06	\$2,375.06	(\$1,092.53)
R662522	\$0.00	\$2,461.96	\$2,461.96	(\$1,132.50)
R662523	\$0.00	\$2,415.48	\$2,415.48	(\$1,111.12)
R662524	\$0.00	\$1,915.72	\$1,915.72	(\$881.23)
R662525	\$0.00	\$2,803.47	\$2,803.47	(\$1,289.60)
R662526	\$0.00	\$928.30	\$928.30	(\$427.02)
R662527	\$0.00	\$2,580.10	\$2,580.10	(\$1,186.85)
R662528	\$0.00	\$0.00	\$0.00	\$0.00
R662529	\$0.00	\$2,866.06	\$2,866.06	(\$1,318.39)
R662530	\$0.00	\$2,684.22	\$2,684.22	(\$1,234.74)
R662531	\$0.00	\$2,449.11	\$2,449.11	(\$1,126.59)
R662532	\$0.00	\$2,333.88	\$2,333.88	(\$1,073.58)
R662533	\$0.00	\$0.00	\$0.00	\$0.00
R662534	\$0.00	\$1,613.18	\$1,613.18	(\$742.06)
R662535	\$0.00	\$1,510.65	\$1,510.65	(\$694.90)
R662536	\$0.00	\$1,666.43	\$1,666.43	(\$766.56)
R662537	\$0.00	\$1,152.00	\$1,152.00	(\$529.92)
R662538	\$0.00	\$2,493.50	\$2,493.50	(\$1,147.01)
R662539	\$0.00	\$2,318.20	\$2,318.20	(\$1,066.37)
R662540	\$0.00	\$2,812.33	\$2,812.33	(\$1,293.67)
R662541	\$0.00	\$1,307.42	\$1,307.42	(\$601.41)
R662542	\$0.00	\$2,726.00	\$2,726.00	(\$1,253.96)
R662543	\$0.00	\$2,741.06	\$2,741.06	(\$1,260.89)
R662544	\$0.00	\$2,819.47	\$2,819.47	(\$1,296.96)
R662545	\$0.00	\$2,959.33	\$2,959.33	(\$1,361.29)
R662546	\$0.00	\$2,549.77	\$2,549.77	(\$1,172.89)
R662547	\$0.00	\$2,580.10	\$2,580.10	(\$1,186.85)
R662548	\$0.00	\$2,297.53	\$2,297.53	(\$1,056.86)

Appendix D-2
TIRZ Credit Calculation - Phase #1
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
R662549	\$0.00	\$2,215.15	\$2,215.15	(\$1,018.97)
R662550	\$0.00	\$2,294.15	\$2,294.15	(\$1,055.31)
R662551	\$0.00	\$2,274.65	\$2,274.65	(\$1,046.34)
R662552	\$0.00	\$399.87	\$399.87	(\$183.94)
R662553	\$0.00	\$342.65	\$342.65	(\$157.62)
R662554	\$0.00	\$2,214.27	\$2,214.27	(\$1,018.56)
R662555	\$0.00	\$2,372.14	\$2,372.14	(\$1,091.18)
R662556	\$0.00	\$794.55	\$794.55	(\$365.49)
R662557	\$0.00	\$2,480.77	\$2,480.77	(\$1,141.15)
R662558	\$0.00	\$2,293.61	\$2,293.61	(\$1,055.06)
R662559	\$0.00	\$2,398.13	\$2,398.13	(\$1,103.14)
R662560	\$0.00	\$2,244.96	\$2,244.96	(\$1,032.68)
R662561	\$0.00	\$2,177.17	\$2,177.17	(\$1,001.50)
R662562	\$0.00	\$2,144.67	\$2,144.67	(\$986.55)
R662563	\$0.00	\$2,213.19	\$2,213.19	(\$1,018.07)
R662564	\$0.00	\$2,593.91	\$2,593.91	(\$1,193.20)
R662565	\$0.00	\$1,484.80	\$1,484.80	(\$683.01)
R662566	\$0.00	\$1,718.97	\$1,718.97	(\$790.73)
R662567	\$0.00	\$570.78	\$570.78	(\$262.56)
R662568	\$0.00	\$340.18	\$340.18	(\$156.48)
R662569	\$0.00	\$2,221.61	\$2,221.61	(\$1,021.94)
R662570	\$0.00	\$2,526.78	\$2,526.78	(\$1,162.32)
R662571	\$0.00	\$2,294.15	\$2,294.15	(\$1,055.31)
R662572	\$0.00	\$2,170.02	\$2,170.02	(\$998.21)
R662573	\$0.00	\$2,467.11	\$2,467.11	(\$1,134.87)
R662574	\$0.00	\$2,308.16	\$2,308.16	(\$1,061.75)
R662575	\$0.00	\$2,078.01	\$2,078.01	(\$955.88)
R662576	\$0.00	\$2,684.17	\$2,684.17	(\$1,234.72)
R662577	\$0.00	\$2,502.12	\$2,502.12	(\$1,150.98)
R662578	\$0.00	\$322.87	\$322.87	(\$148.52)
R662579	\$0.00	\$1,087.86	\$1,087.86	(\$500.42)
R662580	\$0.00	\$2,407.05	\$2,407.05	(\$1,107.24)
R662581	\$0.00	\$2,808.04	\$2,808.04	(\$1,291.70)
R662582	\$0.00	\$0.00	\$0.00	\$0.00
R662583	\$0.00	\$2,760.29	\$2,760.29	(\$1,269.73)
R662584	\$0.00	\$2,184.97	\$2,184.97	(\$1,005.09)
R662585	\$0.00	\$2,656.29	\$2,656.29	(\$1,221.89)
R662586	\$0.00	\$2,053.71	\$2,053.71	(\$944.71)
R662587	\$0.00	\$2,177.10	\$2,177.10	(\$1,001.47)
R662588	\$0.00	\$2,256.00	\$2,256.00	(\$1,037.76)
R662589	\$0.00	\$2,604.91	\$2,604.91	(\$1,198.26)
R662590	\$0.00	\$2,547.09	\$2,547.09	(\$1,171.66)
R662591	\$0.00	\$2,190.91	\$2,190.91	(\$1,007.82)
R662592	\$0.00	\$2,585.71	\$2,585.71	(\$1,189.43)
R662593	\$0.00	\$2,669.28	\$2,669.28	(\$1,227.87)
R662594	\$0.00	\$2,619.10	\$2,619.10	(\$1,204.79)
R662595	\$0.00	\$2,656.29	\$2,656.29	(\$1,221.89)
R662596	\$0.00	\$1,972.36	\$1,972.36	(\$907.29)
R662597	\$0.00	\$2,242.16	\$2,242.16	(\$1,031.39)
R662598	\$0.00	\$0.00	\$0.00	\$0.00
R662599	\$0.00	\$2,274.65	\$2,274.65	(\$1,046.34)
R662600	\$0.00	\$2,191.18	\$2,191.18	(\$1,007.94)
R662601	\$0.00	\$2,086.95	\$2,086.95	(\$960.00)

Appendix D-2
TIRZ Credit Calculation - Phase #1
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
R662602	\$0.00	\$2,090.70	\$2,090.70	(\$961.72)
R662603	\$0.00	\$2,876.38	\$2,876.38	(\$1,323.13)
R662604	\$0.00	\$3,024.17	\$3,024.17	(\$1,391.12)
R662605	\$0.00	\$2,255.47	\$2,255.47	(\$1,037.52)
R662606	\$0.00	\$0.00	\$0.00	\$0.00
R662607	\$0.00	\$426.82	\$426.82	(\$196.34)
R662608	\$0.00	\$1,103.22	\$1,103.22	(\$507.48)
R662609	\$0.00	\$2,756.62	\$2,756.62	(\$1,268.05)
R662610	\$0.00	\$0.00	\$0.00	\$0.00
R662611	\$0.00	\$2,513.22	\$2,513.22	(\$1,156.08)
R662612	\$0.00	\$2,287.54	\$2,287.54	(\$1,052.27)
R662613	\$0.00	\$2,276.28	\$2,276.28	(\$1,047.09)
R662614	\$0.00	\$1,783.03	\$1,783.03	(\$820.19)
R662615	\$0.00	\$2,009.90	\$2,009.90	(\$924.55)
R662616	\$0.00	\$2,207.12	\$2,207.12	(\$1,015.28)
R662617	\$0.00	\$2,404.63	\$2,404.63	(\$1,106.13)
R662618	\$0.00	\$2,865.26	\$2,865.26	(\$1,318.02)
R662619	\$0.00	\$2,567.11	\$2,567.11	(\$1,180.87)
R662620	\$0.00	\$2,444.83	\$2,444.83	(\$1,124.62)
R662621	\$0.00	\$2,163.48	\$2,163.48	(\$995.20)
R662622	\$0.00	\$2,232.72	\$2,232.72	(\$1,027.05)
R662623	\$0.00	\$2,038.63	\$2,038.63	(\$937.77)
R662624	\$0.00	\$2,584.31	\$2,584.31	(\$1,188.78)
R662625	\$0.00	\$2,320.21	\$2,320.21	(\$1,067.30)
R662626	\$0.00	\$2,144.67	\$2,144.67	(\$986.55)
R662627	\$0.00	\$1,293.83	\$1,293.83	(\$595.16)
R662628	\$0.00	\$2,673.74	\$2,673.74	(\$1,229.92)
R662629	\$0.00	\$1,723.01	\$1,723.01	(\$792.58)
R662630	\$0.00	\$1,123.43	\$1,123.43	(\$516.78)
R662631	\$0.00	\$1,209.46	\$1,209.46	(\$556.35)
R662632	\$0.00	\$2,531.32	\$2,531.32	(\$1,164.41)
R662633	\$0.00	\$2,502.12	\$2,502.12	(\$1,150.98)
R662634	\$0.00	\$1,992.26	\$1,992.26	(\$916.44)
R662635	\$0.00	\$2,409.00	\$2,409.00	(\$1,108.14)
R662636	\$0.00	\$2,079.68	\$2,079.68	(\$956.65)
R662637	\$0.00	\$2,291.49	\$2,291.49	(\$1,054.09)
R662638	\$0.00	\$2,291.49	\$2,291.49	(\$1,054.09)
R662639	\$0.00	\$2,632.10	\$2,632.10	(\$1,210.77)
R662640	\$0.00	\$2,677.59	\$2,677.59	(\$1,231.69)
R662641	\$0.00	\$2,849.11	\$2,849.11	(\$1,310.59)
R662642	\$0.00	\$3,131.57	\$3,131.57	(\$1,440.52)
R662643	\$0.00	\$2,267.57	\$2,267.57	(\$1,043.08)
R662644	\$0.00	\$2,346.17	\$2,346.17	(\$1,079.24)
R662645	\$0.00	\$2,683.04	\$2,683.04	(\$1,234.20)
R662646	\$0.00	\$2,334.00	\$2,334.00	(\$1,073.64)
R662647	\$0.00	\$2,595.59	\$2,595.59	(\$1,193.97)
R662648	\$0.00	\$2,877.43	\$2,877.43	(\$1,323.62)
R662649	\$0.00	\$2,487.32	\$2,487.32	(\$1,144.17)
R662650	\$0.00	\$2,480.15	\$2,480.15	(\$1,140.87)
R662651	\$0.00	\$2,214.77	\$2,214.77	(\$1,018.79)
R662652	\$0.00	\$2,217.78	\$2,217.78	(\$1,020.18)
R662653	\$0.00	\$1,637.17	\$1,637.17	(\$753.10)
R662654	\$0.00	\$2,659.54	\$2,659.54	(\$1,223.39)

Appendix D-2
TIRZ Credit Calculation - Phase #1
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
R662655	\$0.00	\$2,856.52	\$2,856.52	(\$1,314.00)
R662656	\$0.00	\$0.00	\$0.00	\$0.00
R662657	\$0.00	\$2,330.85	\$2,330.85	(\$1,072.19)
R662658	\$0.00	\$1,762.31	\$1,762.31	(\$810.66)
R662659	\$0.00	\$2,531.87	\$2,531.87	(\$1,164.66)
R662660	\$0.00	\$0.00	\$0.00	\$0.00
R662661	\$0.00	\$447.08	\$447.08	(\$205.66)
R662662	\$0.00	\$1,787.05	\$1,787.05	(\$822.04)
R662663	\$0.00	\$2,920.67	\$2,920.67	(\$1,343.51)
R662664	\$0.00	\$2,894.23	\$2,894.23	(\$1,331.35)
R662665	\$0.00	\$2,696.22	\$2,696.22	(\$1,240.26)
R662666	\$0.00	\$2,690.02	\$2,690.02	(\$1,237.41)
R662667	\$0.00	\$0.00	\$0.00	\$0.00
R662668	\$0.00	\$3,004.08	\$3,004.08	(\$1,381.88)
R662669	\$0.00	\$1,731.28	\$1,731.28	(\$796.39)
R662670	\$0.00	\$0.00	\$0.00	\$0.00
R662671	\$0.00	\$1,963.46	\$1,963.46	(\$903.19)
R662672	\$0.00	\$1,869.41	\$1,869.41	(\$859.93)
R662673	\$0.00	\$2,275.90	\$2,275.90	(\$1,046.91)
R662674	\$0.00	\$2,915.32	\$2,915.32	(\$1,341.05)
R662675	\$0.00	\$450.62	\$450.62	(\$207.29)
R662676	\$0.00	\$0.00	\$0.00	\$0.00
R662677	\$0.00	\$2,309.04	\$2,309.04	(\$1,062.16)
R662678	\$0.00	\$336.32	\$336.32	(\$154.71)
R662679	\$0.00	\$336.32	\$336.32	(\$154.71)
R662680	\$0.00	\$2,883.57	\$2,883.57	(\$1,326.44)
R662681	\$0.00	\$2,219.52	\$2,219.52	(\$1,020.98)
R662682	\$0.00	\$1,973.30	\$1,973.30	(\$907.72)
R662683	\$0.00	\$2,372.14	\$2,372.14	(\$1,091.18)
R662684	\$0.00	\$2,036.49	\$2,036.49	(\$936.79)
R662685	\$0.00	\$0.00	\$0.00	\$0.00
R662686	\$0.00	\$2,636.42	\$2,636.42	(\$1,212.75)
R662687	\$0.00	\$2,266.27	\$2,266.27	(\$1,042.48)
R662688	\$0.00	\$2,711.66	\$2,711.66	(\$1,247.36)
R662689	\$0.00	\$2,916.46	\$2,916.46	(\$1,341.57)
R662690	\$0.00	\$2,691.03	\$2,691.03	(\$1,237.87)
R662691	\$0.00	\$2,727.47	\$2,727.47	(\$1,254.64)
R662692	\$0.00	\$1,192.47	\$1,192.47	(\$548.54)
R662693	\$0.00	\$1,458.99	\$1,458.99	(\$671.14)
R662694	\$0.00	\$1,276.92	\$1,276.92	(\$587.38)
R662695	\$0.00	\$1,755.56	\$1,755.56	(\$807.56)
R662696	\$0.00	\$2,655.71	\$2,655.71	(\$1,221.63)
R662697	\$0.00	\$2,532.82	\$2,532.82	(\$1,165.10)
R662698	\$0.00	\$2,404.63	\$2,404.63	(\$1,106.13)
R662699	\$0.00	\$3,223.36	\$3,223.36	(\$1,482.75)
R662700	\$0.00	\$2,996.47	\$2,996.47	(\$1,378.38)
R662701	\$0.00	\$2,710.08	\$2,710.08	(\$1,246.64)

Appendix D-2
TIRZ Credit Calculation - Phase #1
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
R662702	\$0.00	\$2,599.60	\$2,599.60	(\$1,195.82)
R662703	\$0.00	\$2,603.67	\$2,603.67	(\$1,197.69)
R662704	\$0.00	\$2,692.46	\$2,692.46	(\$1,238.53)
R662705	\$0.00	\$0.00	\$0.00	\$0.00
R662706	\$0.00	\$2,580.10	\$2,580.10	(\$1,186.85)
R662707	\$0.00	\$2,785.85	\$2,785.85	(\$1,281.49)
R662708	\$0.00	\$1,593.31	\$1,593.31	(\$732.92)
R662709	\$0.00	\$2,785.59	\$2,785.59	(\$1,281.37)
R662710	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$430,864.71	\$430,864.71	(\$198,197.77)

APPENDIX E-1
MAJOR IMPROVEMENT AREA ASSESSMENT ROLL SUMMARY – 2020-21

Appendix E-1
Assessment Roll Summary - Major Improvement Area
2020-21

Parcel	Estimated No. of units	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
38646	143	N/A	Various	115.83	\$1,395,609.99	\$6,085.00	\$112,617.05	\$6,978.05	\$8,936.44	(\$5.92)	\$134,610.61
43806	120	N/A	3	109.67	\$1,321,389.51	\$5,761.39	\$106,627.91	\$6,606.95	\$8,461.19	(\$89.76)	\$127,367.68
43910	54	N/A	3	50.56	\$609,186.23	\$2,656.11	\$49,157.54	\$3,045.93	\$3,900.77	(\$4.54)	\$58,755.81
44219	192	N/A	3	164.04	\$1,976,481.59	\$8,617.65	\$159,489.77	\$9,882.41	\$12,655.91	(\$14.65)	\$190,631.09
584981	7	N/A	3	6.44	\$77,594.13	\$338.32	\$6,261.36	\$387.97	\$496.85	(\$1,054.82)	\$6,429.69
757670	1	0	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
757669	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757668	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757667	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757666	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757665	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757664	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757663	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757662	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757661	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757660	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757659	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757658	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757657	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757656	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757655	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757654	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757653	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757652	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757651	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757650	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757649	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757648	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757647	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757646	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757645	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757644	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757643	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757642	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757641	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757640	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757639	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757638	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757637	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757636	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757635	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757634	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757633	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757632	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757631	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757630	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757629	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757628	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757627	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757626	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757625	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757624	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757623	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757622	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757621	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
757620	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757619	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757618	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757617	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757616	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757615	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757614	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757613	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757612	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21

Appendix E-1
Assessment Roll Summary - Major Improvement Area
2020-21

Parcel	Estimated No. of units	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
757547	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757546	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757545	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757544	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757543	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757542	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757541	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757540	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757539	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757538	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757537	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757536	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757535	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757534	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757533	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757532	1	40	5	0.65	\$7,831.71	\$34.15	\$631.97	\$39.16	\$50.15	(\$67.21)	\$688.21
757531	1	50	4	0.76	\$9,157.07	\$39.93	\$738.92	\$45.79	\$58.64	(\$78.59)	\$804.68
Total	656			539.20	\$6,496,701.25	\$28,326.25	\$524,243.38	\$32,483.51	\$41,600.00	(\$10,751.09)	\$615,902.05

APPENDIX E-2
MAJOR IMPROVEMENT AREA TIRZ CREDIT CALCULATIONS – 2020-21

Appendix E-2
TIRZ Credit Calculation - Major Improvement Area
2020-21

Property ID¹	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
38646	\$0.00	\$12.86	\$12.86	(\$5.92)
43806	\$0.00	\$195.12	\$195.12	(\$89.76)
43910	\$0.00	\$9.88	\$9.88	(\$4.54)
44219	\$0.00	\$31.84	\$31.84	(\$14.65)
584981	\$0.00	\$2,293.08	\$2,293.08	(\$1,054.82)
692364	\$0.00	\$20,829.15	\$20,829.15	(\$9,581.41)
Total	\$0.00	\$23,371.93	\$23,371.93	(\$10,751.09)

1- 2020-21 TIRZ credit for Parcel 692364 has been allocated to the Phase #3B subdivided parcels based on the individual parcel's equivalent unit.

APPENDIX F-1
IMPROVEMENT AREA #2 ASSESSMENT ROLL SUMMARY – 2020-21

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
727063	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$478.75)	\$2,072.50
727064	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$707.37)	\$1,843.89
727065	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$464.11)	\$2,087.14
727066	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$495.05)	\$2,056.20
727067	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$632.33)	\$1,918.92
727068	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$674.28)	\$1,876.97
727069	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$739.28)	\$1,811.98
727070	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$681.91)	\$1,869.34
727071	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$648.90)	\$1,902.35
727072	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$834.57)	\$1,716.68
727073	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$200.50)	\$2,350.75
727074	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$917.21)	\$1,634.04
727075	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,243.65)	\$1,307.61
727076	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,123.98)	\$1,427.27
727077	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,040.03)	\$1,511.22
727078	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,185.44)	\$1,365.81
727079	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$580.09)	\$1,971.16
727080	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$545.59)	\$2,005.66
727081	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$759.86)	\$1,791.39
727082	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$214.83)	\$2,336.42
727083	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,167.60)	\$1,383.65
727084	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,201.80)	\$1,349.46
727085	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,285.50)	\$1,265.75
727086	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,048.98)	\$1,502.27
727087	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$709.57)	\$1,841.68
727088	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$730.22)	\$1,821.03
727089	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,157.24)	\$1,394.01
727090	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,120.21)	\$1,431.05
727091	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,379.61)	\$1,171.64
727092	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
727093	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$196.71)	\$2,354.54
727094	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$161.25)	\$2,390.00
727095	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$157.04)	\$2,394.21
727096	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$164.42)	\$2,386.83
727097	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,029.79)	\$1,521.46
727098	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,135.38)	\$1,415.87
727099	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,135.51)	\$1,415.74
727100	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.77)	\$2,390.48
727101	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.77)	\$2,390.48
727102	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.77)	\$2,390.48
727103	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$267.95)	\$2,283.30
727104	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$267.95)	\$2,283.30
727105	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$267.95)	\$2,283.30
727106	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.77)	\$2,390.48
727107	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.77)	\$2,390.48
727108	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$267.95)	\$2,283.30
727109	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$267.95)	\$2,283.30
727110	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$268.14)	\$2,283.11
727111	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$307.60)	\$2,243.65
727112	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$182.83)	\$2,368.42
727113	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.12)	\$2,392.13
727114	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.12)	\$2,392.13
727115	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$151.00)	\$2,400.26
727116	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$145.59)	\$2,405.66
727117	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$201.53)	\$2,349.73
727118	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$665.75)	\$1,885.50
727119	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,010.44)	\$1,540.82
727120	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$330.01)	\$2,221.24

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
727121	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$442.84)	\$2,108.41
727122	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$149.76)	\$2,401.49
727123	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$149.76)	\$2,401.49
727124	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$153.70)	\$2,397.55
727125	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$813.34)	\$1,737.92
727126	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$928.36)	\$1,622.89
727127	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$618.24)	\$1,933.02
727128	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$171.69)	\$2,379.57
727129	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$164.42)	\$2,386.83
727130	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.67)	\$2,390.58
727131	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.05)	\$2,391.20
727132	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.05)	\$2,391.20
727133	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.05)	\$2,391.20
727134	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.05)	\$2,391.20
727135	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.91)	\$2,391.34
727136	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.05)	\$2,391.20
727137	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.07)	\$2,391.18
727138	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$160.14)	\$2,391.12
727139	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$461.16)	\$2,090.09
727140	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$188.04)	\$2,363.21
727141	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$543.48)	\$2,007.78
727142	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$448.07)	\$2,103.18
727143	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$631.07)	\$1,920.18
727144	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$533.85)	\$2,017.40
727145	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.61)	\$2,394.64
727146	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.71)	\$2,394.54
727147	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.63)	\$2,394.62
727148	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.58)	\$2,394.67
727149	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$866.94)	\$1,684.31
727150	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$883.46)	\$1,667.79
727151	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,095.66)	\$1,455.59
727152	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$249.60)	\$2,301.66
727153	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$472.94)	\$2,078.32
727154	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$197.41)	\$2,353.84
727155	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$171.67)	\$2,379.58
727156	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.88)	\$2,394.37
727157	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$621.99)	\$1,929.26
727158	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$542.30)	\$2,008.95
727159	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$692.13)	\$1,859.12
727160	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.88)	\$2,394.37
727161	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.88)	\$2,394.37
727162	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$720.00)	\$1,831.26
727163	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$775.33)	\$1,775.93
727164	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$156.88)	\$2,394.37
727165	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$484.11)	\$2,067.14
727166	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$152.81)	\$2,398.44
727167	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$801.74)	\$1,749.51
727168	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.52)	\$2,402.73
727169	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$247.54)	\$2,303.72
727170	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.52)	\$2,402.73
727171	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$122.48)	\$2,428.77
727172	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.52)	\$2,402.73
727173	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.52)	\$2,402.73
727174	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.52)	\$2,402.73
727175	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$633.84)	\$1,917.41
727176	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$148.02)	\$2,403.23
727177	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$171.58)	\$2,379.67
727178	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,029.13)	\$1,522.12

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
727179	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,044.34)	\$1,506.91
727180	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$957.42)	\$1,593.84
727181	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,125.35)	\$1,425.90
727182	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727183	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727184	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727185	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727186	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727187	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$166.71)	\$2,384.54
727188	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$197.51)	\$2,353.75
727189	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$786.71)	\$1,764.54
727190	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.39)	\$2,391.86
727191	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.35)	\$2,391.90
727192	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.51)	\$2,391.74
727193	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$159.33)	\$2,391.92
727194	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$164.55)	\$2,386.70
727195	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$162.71)	\$2,388.54
727196	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$124.73)	\$2,426.52
727197	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$149.76)	\$2,401.49
727198	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$189.69)	\$2,361.56
727199	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$982.14)	\$1,569.11
727200	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,016.08)	\$1,535.17
727201	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,360.35)	\$1,190.90
727202	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,204.70)	\$1,346.55
727203	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,013.99)	\$1,537.26
727204	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$451.55)	\$2,099.70
727205	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,233.26)	\$1,318.00
727206	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$761.13)	\$1,790.12
727207	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$967.98)	\$1,583.27
727208	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$187.20)	\$2,364.05
727209	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$196.16)	\$2,355.09
727210	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$1,258.59)	\$1,292.66
727211	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	\$0.00	\$2,551.25
727212	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$176.41)	\$2,374.84
727213	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$176.39)	\$2,374.86
727214	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$176.39)	\$2,374.86
727215	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$176.39)	\$2,374.86
727216	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$817.61)	\$1,733.64
727217	1	3	0.81	\$31,424.00	\$363.04	\$1,929.27	\$157.12	\$101.83	(\$446.31)	\$2,104.94
725604	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$126.84)	\$1,920.46
725605	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$92.99)	\$1,954.31
725606	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$434.36)	\$1,612.94
725607	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$668.87)	\$1,378.43
725608	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$909.70)	\$1,137.60
725609	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725610	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$756.46)	\$1,290.84
725611	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725612	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725613	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725614	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$669.55)	\$1,377.75
725615	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725616	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725617	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725618	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$908.04)	\$1,139.26
725619	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725620	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725621	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725622	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
725623	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725624	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725625	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725626	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725627	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725628	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725629	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.12)	\$1,963.18
725630	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
725631	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$984.54)	\$1,062.76
725632	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$833.92)	\$1,213.39
725633	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$673.41)	\$1,373.89
725634	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$836.02)	\$1,211.28
725635	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$674.08)	\$1,373.22
725636	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$761.00)	\$1,286.30
725637	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$300.09)	\$1,747.22
725638	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$674.08)	\$1,373.22
725639	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$86.84)	\$1,960.46
725640	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$86.84)	\$1,960.46
725641	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$673.41)	\$1,373.89
725642	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$86.84)	\$1,960.46
725643	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$404.14)	\$1,643.16
725644	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$490.38)	\$1,556.92
725645	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$674.08)	\$1,373.22
725646	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$756.73)	\$1,290.57
725647	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$663.53)	\$1,383.77
725648	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$86.84)	\$1,960.46
725649	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$86.33)	\$1,960.97
725650	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$119.43)	\$1,927.87
725651	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$119.64)	\$1,927.66
725652	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725653	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725654	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$908.49)	\$1,138.81
725655	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725656	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725657	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$668.97)	\$1,378.33
725658	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$830.37)	\$1,216.93
725659	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725660	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$669.65)	\$1,377.65
725661	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725662	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725663	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$801.69)	\$1,245.61
725664	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$910.91)	\$1,136.39
725665	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$784.32)	\$1,262.98
725666	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	\$0.00	\$2,047.30
725667	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.18)	\$1,963.12
725668	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$96.87)	\$1,950.43
725669	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$119.71)	\$1,927.60
725670	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$903.23)	\$1,144.07
725671	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.20)	\$1,963.10
725672	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.20)	\$1,963.10
725673	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$294.24)	\$1,753.06
725674	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$821.48)	\$1,225.82
725675	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$908.18)	\$1,139.12
725676	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$658.35)	\$1,388.95
725677	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$832.35)	\$1,214.95
725678	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$669.01)	\$1,378.30
725679	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$906.19)	\$1,141.11
725680	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$671.20)	\$1,376.11

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
725681	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$908.18)	\$1,139.12
725682	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$659.12)	\$1,388.18
725683	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$827.48)	\$1,219.82
725684	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$658.34)	\$1,388.96
725685	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$752.33)	\$1,294.98
725686	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$903.12)	\$1,144.18
725687	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$744.60)	\$1,302.70
725688	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.66)	\$1,963.64
725689	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$914.25)	\$1,133.05
725690	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$694.22)	\$1,353.08
725691	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$907.43)	\$1,139.87
725692	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$139.58)	\$1,907.72
725693	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$774.39)	\$1,272.91
725694	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.75)	\$1,963.55
725695	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.75)	\$1,963.55
725696	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$334.21)	\$1,713.09
725697	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.75)	\$1,963.55
725698	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.75)	\$1,963.55
725699	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$704.76)	\$1,342.54
725701	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$944.45)	\$1,102.85
725702	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$628.89)	\$1,418.41
725703	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.00)	\$1,963.30
725704	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$404.69)	\$1,642.62
725705	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.00)	\$1,963.30
725706	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.00)	\$1,963.30
725707	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.16)	\$1,963.14
725708	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$404.93)	\$1,642.37
725709	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.14)	\$1,963.16
725710	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$298.85)	\$1,748.45
725711	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.14)	\$1,963.16
725712	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.14)	\$1,963.16
725713	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725714	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725715	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725716	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725717	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725718	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$658.64)	\$1,388.66
725719	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725720	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725721	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725722	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$83.91)	\$1,963.39
725723	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$939.15)	\$1,108.15
725724	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$945.07)	\$1,102.23
725725	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$675.74)	\$1,371.57
725726	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$283.71)	\$1,763.59
725727	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$406.65)	\$1,640.65
725728	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$88.35)	\$1,958.95
725729	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$88.35)	\$1,958.95
725730	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$665.25)	\$1,382.05
725731	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$88.35)	\$1,958.95
725732	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$149.08)	\$2,244.69
725733	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$131.93)	\$2,261.83
725734	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$950.03)	\$1,443.74
725735	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$758.24)	\$1,635.53
725736	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$1,050.24)	\$1,343.52
725737	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$956.69)	\$1,437.08
725738	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$704.84)	\$1,688.93
725739	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
725740	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$1,041.18)	\$1,352.58
725741	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$776.20)	\$1,617.57
725742	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$1,007.79)	\$1,385.98
725743	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
725744	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$64.16)	-\$64.16
725745	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$163.00)	\$2,230.77
725746	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$125.77)	\$2,268.00
725747	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$125.85)	\$2,267.92
725748	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$196.39)	\$2,197.38
725749	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
717579	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$119.37)	\$1,927.93
717580	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$637.31)	\$1,409.99
717581	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$491.62)	\$1,555.69
717582	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$82.51)	\$1,964.79
717583	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$369.50)	\$1,677.80
717584	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$276.22)	\$1,771.08
717585	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$637.04)	\$1,410.26
717586	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$618.34)	\$1,428.96
717587	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$430.80)	\$1,616.50
717588	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$608.92)	\$1,438.38
717589	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$531.25)	\$1,516.05
717590	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$502.36)	\$1,544.94
717591	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$586.76)	\$1,460.54
717592	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$477.81)	\$1,569.49
717593	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$621.61)	\$1,425.69
717594	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$171.75)	\$1,875.55
717595	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$507.13)	\$1,540.17
717596	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$621.61)	\$1,425.69
717597	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$710.36)	\$1,336.94
717598	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$606.93)	\$1,440.37
717599	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$778.10)	\$1,269.20
717600	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$809.22)	\$1,238.08
717601	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$621.61)	\$1,425.69
717602	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$688.14)	\$1,359.16
717603	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$806.88)	\$1,240.42
717604	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
717605	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$103.14)	\$1,944.16
717606	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.99)	\$1,962.32
717607	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.66)	\$1,962.64
717608	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$84.66)	\$1,962.64
717609	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$341.18)	\$1,706.12
717610	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$236.50)	\$1,810.81
717611	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$425.33)	\$1,621.97
717612	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$607.45)	\$1,439.85
717613	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$495.71)	\$1,551.59
717614	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$472.88)	\$1,574.42
717615	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$379.49)	\$1,667.81
717616	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$362.38)	\$1,684.92
717617	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$432.00)	\$1,615.30
717618	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$470.01)	\$1,577.29
717619	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$779.38)	\$1,267.92
717620	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$610.06)	\$1,437.24
717621	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$779.38)	\$1,267.92
717622	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$628.62)	\$1,418.68
717623	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$629.50)	\$1,417.80
717624	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$729.04)	\$1,318.26
717625	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$794.95)	\$1,252.35
717626	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$699.58)	\$1,347.72

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
717627	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$869.70)	\$1,177.60
717628	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$861.40)	\$1,185.90
717629	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$625.40)	\$1,421.90
717630	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$890.85)	\$1,156.45
717631	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$817.02)	\$1,230.28
717632	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$615.47)	\$1,431.83
717633	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$398.86)	\$1,648.44
717634	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$779.36)	\$1,267.94
717635	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$926.46)	\$1,120.84
717636	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	\$0.00	\$2,047.30
717637	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$630.17)	\$1,417.13
717638	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	\$0.00	\$2,047.30
717639	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$273.48)	\$1,773.82
717640	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$608.03)	\$1,439.27
717641	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$851.99)	\$1,195.31
717642	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$776.21)	\$1,271.09
717643	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	\$0.00	\$2,047.30
717644	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$608.41)	\$1,438.89
717645	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$648.90)	\$1,398.40
717646	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$283.30)	\$1,764.00
717647	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$526.85)	\$1,520.45
717648	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$348.25)	\$1,699.05
717649	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$329.70)	\$1,717.61
717650	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$617.21)	\$1,430.10
717651	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$279.50)	\$1,767.80
717652	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$328.32)	\$1,718.98
717653	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$280.62)	\$1,766.68
717654	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$276.22)	\$1,771.08
717655	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$369.50)	\$1,677.80
717656	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$144.81)	\$1,902.49
717657	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$675.99)	\$1,371.31
717658	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
717659	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$335.20)	\$1,712.10
717660	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$285.00)	\$1,762.30
717661	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$274.61)	\$1,772.69
717662	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$288.80)	\$1,758.50
717663	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$145.70)	\$1,901.60
717664	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$145.70)	\$1,901.60
717665	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$145.70)	\$1,901.60
717666	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$143.98)	\$1,903.32
717667	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$143.54)	\$1,903.76
717668	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
717669	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$143.54)	\$1,903.76
717670	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$143.54)	\$1,903.76
717671	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$803.54)	\$1,243.76
717672	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$648.90)	\$1,398.40
717673	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$854.18)	\$1,193.12
717674	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$763.07)	\$1,284.23
717675	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$598.70)	\$1,448.60
717676	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$811.15)	\$1,236.15
717677	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$788.93)	\$1,258.37
717678	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$623.06)	\$1,424.24
717679	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$916.37)	\$1,130.93
717680	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$866.15)	\$1,181.15
717681	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$776.16)	\$1,271.14
717682	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$613.16)	\$1,434.14
717683	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$902.63)	\$1,144.68
717684	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$962.37)	\$1,084.93

Appendix F-1
Assessment Roll Summary - Improvement Area #2
2020-21

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Administrative Expense	TIRZ Credit	Annual Installment
717685	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$626.11)	\$1,421.19
717686	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$611.27)	\$1,436.03
717687	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$793.48)	\$1,253.82
717688	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$813.55)	\$1,233.75
717689	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$781.61)	\$1,265.69
717690	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$717.18)	\$1,330.12
717691	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$628.45)	\$1,418.85
717692	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$583.88)	\$1,463.42
717693	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$924.74)	\$1,122.56
717694	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$795.99)	\$1,251.31
717695	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$678.62)	\$1,368.68
717696	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$297.85)	\$1,749.45
717697	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$98.81)	\$1,948.49
717698	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$94.83)	\$1,952.47
717699	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$152.27)	\$1,895.03
717700	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$147.46)	\$1,899.84
717701	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$620.58)	\$1,426.72
717702	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$602.99)	\$1,444.31
717703	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$138.72)	\$1,908.58
717704	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$137.72)	\$1,909.58
717705	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$617.00)	\$1,430.30
717706	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$704.43)	\$1,342.88
717707	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$806.96)	\$1,240.34
717708	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$771.64)	\$1,275.66
717709	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$784.54)	\$1,262.76
717710	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$602.33)	\$1,444.97
717711	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$584.90)	\$1,462.40
717712	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$703.25)	\$1,344.05
717713	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$806.29)	\$1,241.01
717714	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$229.14)	\$1,818.16
717715	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$164.13)	\$1,883.17
717716	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$264.59)	\$1,782.71
717717	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$101.90)	\$1,945.40
717718	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$166.06)	\$1,881.25
717719	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$94.91)	\$1,952.39
717720	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$287.66)	\$1,759.64
717721	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$353.95)	\$1,693.35
717722	1	5	0.65	\$25,216.79	\$291.33	\$1,548.18	\$126.08	\$81.71	(\$100.37)	\$1,946.93
717723	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$142.33)	\$2,251.43
717724	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717725	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717726	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717727	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
717728	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717729	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717730	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$118.61)	\$2,275.16
717731	1	4	0.76	\$29,484.24	\$340.63	\$1,810.18	\$147.42	\$95.54	(\$142.33)	\$2,251.43
Total	443		315.01	\$12,220,831.08	\$141,186.70	\$750,294.15	\$61,104.16	\$39,600.00	(\$202,285.46)	\$789,899.55

APPENDIX F-2
IMPROVEMENT AREA #2 TIRZ CREDIT CALCULATIONS – 2020-21

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
727063	\$0.00	\$1,040.77	\$1,040.77	(\$478.75)
727064	\$0.00	\$1,537.75	\$1,537.75	(\$707.37)
727065	\$0.00	\$1,008.94	\$1,008.94	(\$464.11)
727066	\$0.00	\$1,076.20	\$1,076.20	(\$495.05)
727067	\$0.00	\$1,374.64	\$1,374.64	(\$632.33)
727068	\$0.00	\$1,465.82	\$1,465.82	(\$674.28)
727069	\$0.00	\$1,607.12	\$1,607.12	(\$739.28)
727070	\$0.00	\$1,482.42	\$1,482.42	(\$681.91)
727071	\$0.00	\$1,410.65	\$1,410.65	(\$648.90)
727072	\$0.00	\$1,814.28	\$1,814.28	(\$834.57)
727073	\$0.00	\$435.87	\$435.87	(\$200.50)
727074	\$0.00	\$1,993.93	\$1,993.93	(\$917.21)
727075	\$0.00	\$2,703.58	\$2,703.58	(\$1,243.65)
727076	\$0.00	\$2,443.44	\$2,443.44	(\$1,123.98)
727077	\$0.00	\$2,260.94	\$2,260.94	(\$1,040.03)
727078	\$0.00	\$2,577.05	\$2,577.05	(\$1,185.44)
727079	\$0.00	\$1,261.06	\$1,261.06	(\$580.09)
727080	\$0.00	\$1,186.07	\$1,186.07	(\$545.59)
727081	\$0.00	\$1,651.87	\$1,651.87	(\$759.86)
727082	\$0.00	\$467.03	\$467.03	(\$214.83)
727083	\$0.00	\$2,538.26	\$2,538.26	(\$1,167.60)
727084	\$0.00	\$2,612.60	\$2,612.60	(\$1,201.80)
727085	\$0.00	\$2,794.57	\$2,794.57	(\$1,285.50)
727086	\$0.00	\$2,280.40	\$2,280.40	(\$1,048.98)
727087	\$0.00	\$1,542.54	\$1,542.54	(\$709.57)
727088	\$0.00	\$1,587.44	\$1,587.44	(\$730.22)
727089	\$0.00	\$2,515.74	\$2,515.74	(\$1,157.24)
727090	\$0.00	\$2,435.23	\$2,435.23	(\$1,120.21)
727091	\$0.00	\$2,999.15	\$2,999.15	(\$1,379.61)
727092	\$0.00	\$0.00	\$0.00	\$0.00
727093	\$0.00	\$427.64	\$427.64	(\$196.71)
727094	\$0.00	\$350.54	\$350.54	(\$161.25)
727095	\$0.00	\$341.39	\$341.39	(\$157.04)
727096	\$0.00	\$357.44	\$357.44	(\$164.42)
727097	\$0.00	\$2,238.67	\$2,238.67	(\$1,029.79)
727098	\$0.00	\$2,468.22	\$2,468.22	(\$1,135.38)
727099	\$0.00	\$2,468.50	\$2,468.50	(\$1,135.51)
727100	\$0.00	\$349.51	\$349.51	(\$160.77)
727101	\$0.00	\$349.51	\$349.51	(\$160.77)
727102	\$0.00	\$349.51	\$349.51	(\$160.77)
727103	\$0.00	\$582.51	\$582.51	(\$267.95)
727104	\$0.00	\$582.51	\$582.51	(\$267.95)
727105	\$0.00	\$582.51	\$582.51	(\$267.95)
727106	\$0.00	\$349.51	\$349.51	(\$160.77)
727107	\$0.00	\$349.51	\$349.51	(\$160.77)
727108	\$0.00	\$582.51	\$582.51	(\$267.95)
727109	\$0.00	\$582.51	\$582.51	(\$267.95)
727110	\$0.00	\$582.92	\$582.92	(\$268.14)
727111	\$0.00	\$668.69	\$668.69	(\$307.60)
727112	\$0.00	\$397.45	\$397.45	(\$182.83)
727113	\$0.00	\$345.92	\$345.92	(\$159.12)
727114	\$0.00	\$345.92	\$345.92	(\$159.12)
727115	\$0.00	\$328.25	\$328.25	(\$151.00)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
727116	\$0.00	\$316.50	\$316.50	(\$145.59)
727117	\$0.00	\$438.10	\$438.10	(\$201.53)
727118	\$0.00	\$1,447.29	\$1,447.29	(\$665.75)
727119	\$0.00	\$2,196.60	\$2,196.60	(\$1,010.44)
727120	\$0.00	\$717.41	\$717.41	(\$330.01)
727121	\$0.00	\$962.70	\$962.70	(\$442.84)
727122	\$0.00	\$325.56	\$325.56	(\$149.76)
727123	\$0.00	\$325.56	\$325.56	(\$149.76)
727124	\$0.00	\$334.13	\$334.13	(\$153.70)
727125	\$0.00	\$1,768.12	\$1,768.12	(\$813.34)
727126	\$0.00	\$2,018.18	\$2,018.18	(\$928.36)
727127	\$0.00	\$1,343.99	\$1,343.99	(\$618.24)
727128	\$0.00	\$373.23	\$373.23	(\$171.69)
727129	\$0.00	\$357.44	\$357.44	(\$164.42)
727130	\$0.00	\$349.28	\$349.28	(\$160.67)
727131	\$0.00	\$347.94	\$347.94	(\$160.05)
727132	\$0.00	\$347.94	\$347.94	(\$160.05)
727133	\$0.00	\$347.94	\$347.94	(\$160.05)
727134	\$0.00	\$347.94	\$347.94	(\$160.05)
727135	\$0.00	\$347.63	\$347.63	(\$159.91)
727136	\$0.00	\$347.94	\$347.94	(\$160.05)
727137	\$0.00	\$347.98	\$347.98	(\$160.07)
727138	\$0.00	\$348.12	\$348.12	(\$160.14)
727139	\$0.00	\$1,002.52	\$1,002.52	(\$461.16)
727140	\$0.00	\$408.79	\$408.79	(\$188.04)
727141	\$0.00	\$1,181.47	\$1,181.47	(\$543.48)
727142	\$0.00	\$974.06	\$974.06	(\$448.07)
727143	\$0.00	\$1,371.89	\$1,371.89	(\$631.07)
727144	\$0.00	\$1,160.55	\$1,160.55	(\$533.85)
727145	\$0.00	\$340.45	\$340.45	(\$156.61)
727146	\$0.00	\$340.68	\$340.68	(\$156.71)
727147	\$0.00	\$340.50	\$340.50	(\$156.63)
727148	\$0.00	\$340.40	\$340.40	(\$156.58)
727149	\$0.00	\$1,884.65	\$1,884.65	(\$866.94)
727150	\$0.00	\$1,920.57	\$1,920.57	(\$883.46)
727151	\$0.00	\$2,381.88	\$2,381.88	(\$1,095.66)
727152	\$0.00	\$542.60	\$542.60	(\$249.60)
727153	\$0.00	\$1,028.12	\$1,028.12	(\$472.94)
727154	\$0.00	\$429.16	\$429.16	(\$197.41)
727155	\$0.00	\$373.19	\$373.19	(\$171.67)
727156	\$0.00	\$341.04	\$341.04	(\$156.88)
727157	\$0.00	\$1,352.15	\$1,352.15	(\$621.99)
727158	\$0.00	\$1,178.91	\$1,178.91	(\$542.30)
727159	\$0.00	\$1,504.63	\$1,504.63	(\$692.13)
727160	\$0.00	\$341.04	\$341.04	(\$156.88)
727161	\$0.00	\$341.04	\$341.04	(\$156.88)
727162	\$0.00	\$1,565.21	\$1,565.21	(\$720.00)
727163	\$0.00	\$1,685.49	\$1,685.49	(\$775.33)
727164	\$0.00	\$341.04	\$341.04	(\$156.88)
727165	\$0.00	\$1,052.42	\$1,052.42	(\$484.11)
727166	\$0.00	\$332.20	\$332.20	(\$152.81)
727167	\$0.00	\$1,742.91	\$1,742.91	(\$801.74)
727168	\$0.00	\$322.87	\$322.87	(\$148.52)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
727169	\$0.00	\$538.12	\$538.12	(\$247.54)
727170	\$0.00	\$322.87	\$322.87	(\$148.52)
727171	\$0.00	\$266.26	\$266.26	(\$122.48)
727172	\$0.00	\$322.87	\$322.87	(\$148.52)
727173	\$0.00	\$322.87	\$322.87	(\$148.52)
727174	\$0.00	\$322.87	\$322.87	(\$148.52)
727175	\$0.00	\$1,377.92	\$1,377.92	(\$633.84)
727176	\$0.00	\$321.79	\$321.79	(\$148.02)
727177	\$0.00	\$373.00	\$373.00	(\$171.58)
727178	\$0.00	\$2,237.24	\$2,237.24	(\$1,029.13)
727179	\$0.00	\$2,270.30	\$2,270.30	(\$1,044.34)
727180	\$0.00	\$2,081.34	\$2,081.34	(\$957.42)
727181	\$0.00	\$2,446.41	\$2,446.41	(\$1,125.35)
727182	\$0.00	\$362.42	\$362.42	(\$166.71)
727183	\$0.00	\$362.42	\$362.42	(\$166.71)
727184	\$0.00	\$362.42	\$362.42	(\$166.71)
727185	\$0.00	\$362.42	\$362.42	(\$166.71)
727186	\$0.00	\$362.42	\$362.42	(\$166.71)
727187	\$0.00	\$362.42	\$362.42	(\$166.71)
727188	\$0.00	\$429.36	\$429.36	(\$197.51)
727189	\$0.00	\$1,710.24	\$1,710.24	(\$786.71)
727190	\$0.00	\$346.51	\$346.51	(\$159.39)
727191	\$0.00	\$346.42	\$346.42	(\$159.35)
727192	\$0.00	\$346.77	\$346.77	(\$159.51)
727193	\$0.00	\$346.37	\$346.37	(\$159.33)
727194	\$0.00	\$357.72	\$357.72	(\$164.55)
727195	\$0.00	\$353.72	\$353.72	(\$162.71)
727196	\$0.00	\$271.15	\$271.15	(\$124.73)
727197	\$0.00	\$325.56	\$325.56	(\$149.76)
727198	\$0.00	\$412.37	\$412.37	(\$189.69)
727199	\$0.00	\$2,135.09	\$2,135.09	(\$982.14)
727200	\$0.00	\$2,208.88	\$2,208.88	(\$1,016.08)
727201	\$0.00	\$2,957.29	\$2,957.29	(\$1,360.35)
727202	\$0.00	\$2,618.91	\$2,618.91	(\$1,204.70)
727203	\$0.00	\$2,204.32	\$2,204.32	(\$1,013.99)
727204	\$0.00	\$981.64	\$981.64	(\$451.55)
727205	\$0.00	\$2,680.99	\$2,680.99	(\$1,233.26)
727206	\$0.00	\$1,654.64	\$1,654.64	(\$761.13)
727207	\$0.00	\$2,104.30	\$2,104.30	(\$967.98)
727208	\$0.00	\$406.95	\$406.95	(\$187.20)
727209	\$0.00	\$426.43	\$426.43	(\$196.16)
727210	\$0.00	\$2,736.07	\$2,736.07	(\$1,258.59)
727211	\$0.00	\$0.00	\$0.00	\$0.00
727212	\$0.00	\$383.50	\$383.50	(\$176.41)
727213	\$0.00	\$383.45	\$383.45	(\$176.39)
727214	\$0.00	\$383.45	\$383.45	(\$176.39)
727215	\$0.00	\$383.45	\$383.45	(\$176.39)
727216	\$0.00	\$1,777.41	\$1,777.41	(\$817.61)
727217	\$0.00	\$970.24	\$970.24	(\$446.31)
725604	\$0.00	\$275.74	\$275.74	(\$126.84)
725605	\$0.00	\$202.15	\$202.15	(\$92.99)
725606	\$0.00	\$944.27	\$944.27	(\$434.36)
725607	\$0.00	\$1,454.06	\$1,454.06	(\$668.87)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
725608	\$0.00	\$1,977.61	\$1,977.61	(\$909.70)
725609	\$0.00	\$182.87	\$182.87	(\$84.12)
725610	\$0.00	\$1,644.47	\$1,644.47	(\$756.46)
725611	\$0.00	\$182.87	\$182.87	(\$84.12)
725612	\$0.00	\$182.87	\$182.87	(\$84.12)
725613	\$0.00	\$182.87	\$182.87	(\$84.12)
725614	\$0.00	\$1,455.54	\$1,455.54	(\$669.55)
725615	\$0.00	\$182.87	\$182.87	(\$84.12)
725616	\$0.00	\$182.87	\$182.87	(\$84.12)
725617	\$0.00	\$182.87	\$182.87	(\$84.12)
725618	\$0.00	\$1,974.01	\$1,974.01	(\$908.04)
725619	\$0.00	\$182.87	\$182.87	(\$84.12)
725620	\$0.00	\$182.87	\$182.87	(\$84.12)
725621	\$0.00	\$182.87	\$182.87	(\$84.12)
725622	\$0.00	\$182.87	\$182.87	(\$84.12)
725623	\$0.00	\$182.87	\$182.87	(\$84.12)
725624	\$0.00	\$182.87	\$182.87	(\$84.12)
725625	\$0.00	\$182.87	\$182.87	(\$84.12)
725626	\$0.00	\$182.87	\$182.87	(\$84.12)
725627	\$0.00	\$182.87	\$182.87	(\$84.12)
725628	\$0.00	\$182.87	\$182.87	(\$84.12)
725629	\$0.00	\$182.87	\$182.87	(\$84.12)
725630	\$0.00	\$0.00	\$0.00	\$0.00
725631	\$0.00	\$2,140.30	\$2,140.30	(\$984.54)
725632	\$0.00	\$1,812.86	\$1,812.86	(\$833.92)
725633	\$0.00	\$1,463.93	\$1,463.93	(\$673.41)
725634	\$0.00	\$1,817.43	\$1,817.43	(\$836.02)
725635	\$0.00	\$1,465.40	\$1,465.40	(\$674.08)
725636	\$0.00	\$1,654.34	\$1,654.34	(\$761.00)
725637	\$0.00	\$652.36	\$652.36	(\$300.09)
725638	\$0.00	\$1,465.40	\$1,465.40	(\$674.08)
725639	\$0.00	\$188.79	\$188.79	(\$86.84)
725640	\$0.00	\$188.79	\$188.79	(\$86.84)
725641	\$0.00	\$1,463.93	\$1,463.93	(\$673.41)
725642	\$0.00	\$188.79	\$188.79	(\$86.84)
725643	\$0.00	\$878.56	\$878.56	(\$404.14)
725644	\$0.00	\$1,066.05	\$1,066.05	(\$490.38)
725645	\$0.00	\$1,465.40	\$1,465.40	(\$674.08)
725646	\$0.00	\$1,645.06	\$1,645.06	(\$756.73)
725647	\$0.00	\$1,442.45	\$1,442.45	(\$663.53)
725648	\$0.00	\$188.79	\$188.79	(\$86.84)
725649	\$0.00	\$187.67	\$187.67	(\$86.33)
725650	\$0.00	\$259.64	\$259.64	(\$119.43)
725651	\$0.00	\$260.09	\$260.09	(\$119.64)
725652	\$0.00	\$182.42	\$182.42	(\$83.91)
725653	\$0.00	\$182.42	\$182.42	(\$83.91)
725654	\$0.00	\$1,974.98	\$1,974.98	(\$908.49)
725655	\$0.00	\$183.01	\$183.01	(\$84.18)
725656	\$0.00	\$183.01	\$183.01	(\$84.18)
725657	\$0.00	\$1,454.29	\$1,454.29	(\$668.97)
725658	\$0.00	\$1,805.16	\$1,805.16	(\$830.37)
725659	\$0.00	\$183.01	\$183.01	(\$84.18)
725660	\$0.00	\$1,455.76	\$1,455.76	(\$669.65)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
725661	\$0.00	\$183.01	\$183.01	(\$84.18)
725662	\$0.00	\$183.01	\$183.01	(\$84.18)
725663	\$0.00	\$1,742.80	\$1,742.80	(\$801.69)
725664	\$0.00	\$1,980.24	\$1,980.24	(\$910.91)
725665	\$0.00	\$1,705.05	\$1,705.05	(\$784.32)
725666	\$0.00	\$0.00	\$0.00	\$0.00
725667	\$0.00	\$183.01	\$183.01	(\$84.18)
725668	\$0.00	\$210.58	\$210.58	(\$96.87)
725669	\$0.00	\$260.23	\$260.23	(\$119.71)
725670	\$0.00	\$1,963.54	\$1,963.54	(\$903.23)
725671	\$0.00	\$183.05	\$183.05	(\$84.20)
725672	\$0.00	\$183.05	\$183.05	(\$84.20)
725673	\$0.00	\$639.65	\$639.65	(\$294.24)
725674	\$0.00	\$1,785.82	\$1,785.82	(\$821.48)
725675	\$0.00	\$1,974.31	\$1,974.31	(\$908.18)
725676	\$0.00	\$1,431.19	\$1,431.19	(\$658.35)
725677	\$0.00	\$1,809.45	\$1,809.45	(\$832.35)
725678	\$0.00	\$1,454.36	\$1,454.36	(\$669.01)
725679	\$0.00	\$1,969.98	\$1,969.98	(\$906.19)
725680	\$0.00	\$1,459.12	\$1,459.12	(\$671.20)
725681	\$0.00	\$1,974.31	\$1,974.31	(\$908.18)
725682	\$0.00	\$1,432.87	\$1,432.87	(\$659.12)
725683	\$0.00	\$1,798.88	\$1,798.88	(\$827.48)
725684	\$0.00	\$1,431.18	\$1,431.18	(\$658.34)
725685	\$0.00	\$1,635.49	\$1,635.49	(\$752.33)
725686	\$0.00	\$1,963.30	\$1,963.30	(\$903.12)
725687	\$0.00	\$1,618.69	\$1,618.69	(\$744.60)
725688	\$0.00	\$181.88	\$181.88	(\$83.66)
725689	\$0.00	\$1,987.50	\$1,987.50	(\$914.25)
725690	\$0.00	\$1,509.17	\$1,509.17	(\$694.22)
725691	\$0.00	\$1,972.67	\$1,972.67	(\$907.43)
725692	\$0.00	\$303.44	\$303.44	(\$139.58)
725693	\$0.00	\$1,683.45	\$1,683.45	(\$774.39)
725694	\$0.00	\$182.06	\$182.06	(\$83.75)
725695	\$0.00	\$182.06	\$182.06	(\$83.75)
725696	\$0.00	\$726.54	\$726.54	(\$334.21)
725697	\$0.00	\$182.06	\$182.06	(\$83.75)
725698	\$0.00	\$182.06	\$182.06	(\$83.75)
725699	\$0.00	\$1,532.09	\$1,532.09	(\$704.76)
725701	\$0.00	\$2,053.16	\$2,053.16	(\$944.45)
725702	\$0.00	\$1,367.15	\$1,367.15	(\$628.89)
725703	\$0.00	\$182.60	\$182.60	(\$84.00)
725704	\$0.00	\$879.75	\$879.75	(\$404.69)
725705	\$0.00	\$182.60	\$182.60	(\$84.00)
725706	\$0.00	\$182.60	\$182.60	(\$84.00)
725707	\$0.00	\$182.96	\$182.96	(\$84.16)
725708	\$0.00	\$880.28	\$880.28	(\$404.93)
725709	\$0.00	\$182.91	\$182.91	(\$84.14)
725710	\$0.00	\$649.67	\$649.67	(\$298.85)
725711	\$0.00	\$182.91	\$182.91	(\$84.14)
725712	\$0.00	\$182.91	\$182.91	(\$84.14)
725713	\$0.00	\$182.42	\$182.42	(\$83.91)
725714	\$0.00	\$182.42	\$182.42	(\$83.91)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
725715	\$0.00	\$182.42	\$182.42	(\$83.91)
725716	\$0.00	\$182.42	\$182.42	(\$83.91)
725717	\$0.00	\$182.42	\$182.42	(\$83.91)
725718	\$0.00	\$1,431.82	\$1,431.82	(\$658.64)
725719	\$0.00	\$182.42	\$182.42	(\$83.91)
725720	\$0.00	\$182.42	\$182.42	(\$83.91)
725721	\$0.00	\$182.42	\$182.42	(\$83.91)
725722	\$0.00	\$182.42	\$182.42	(\$83.91)
725723	\$0.00	\$2,041.63	\$2,041.63	(\$939.15)
725724	\$0.00	\$2,054.50	\$2,054.50	(\$945.07)
725725	\$0.00	\$1,468.99	\$1,468.99	(\$675.74)
725726	\$0.00	\$616.76	\$616.76	(\$283.71)
725727	\$0.00	\$884.02	\$884.02	(\$406.65)
725728	\$0.00	\$192.06	\$192.06	(\$88.35)
725729	\$0.00	\$192.06	\$192.06	(\$88.35)
725730	\$0.00	\$1,446.20	\$1,446.20	(\$665.25)
725731	\$0.00	\$192.06	\$192.06	(\$88.35)
725732	\$0.00	\$324.09	\$324.09	(\$149.08)
725733	\$0.00	\$286.81	\$286.81	(\$131.93)
725734	\$0.00	\$2,065.28	\$2,065.28	(\$950.03)
725735	\$0.00	\$1,648.34	\$1,648.34	(\$758.24)
725736	\$0.00	\$2,283.14	\$2,283.14	(\$1,050.24)
725737	\$0.00	\$2,079.76	\$2,079.76	(\$956.69)
725738	\$0.00	\$1,532.26	\$1,532.26	(\$704.84)
725739	\$0.00	\$0.00	\$0.00	\$0.00
725740	\$0.00	\$2,263.44	\$2,263.44	(\$1,041.18)
725741	\$0.00	\$1,687.39	\$1,687.39	(\$776.20)
725742	\$0.00	\$2,190.84	\$2,190.84	(\$1,007.79)
725743	\$0.00	\$0.00	\$0.00	\$0.00
725744	\$0.00	\$139.48	\$139.48	(\$64.16)
725745	\$0.00	\$354.35	\$354.35	(\$163.00)
725746	\$0.00	\$273.41	\$273.41	(\$125.77)
725747	\$0.00	\$273.59	\$273.59	(\$125.85)
725748	\$0.00	\$426.93	\$426.93	(\$196.39)
725749	\$0.00	\$0.00	\$0.00	\$0.00
717579	\$0.00	\$259.51	\$259.51	(\$119.37)
717580	\$0.00	\$1,385.46	\$1,385.46	(\$637.31)
717581	\$0.00	\$1,068.73	\$1,068.73	(\$491.62)
717582	\$0.00	\$179.37	\$179.37	(\$82.51)
717583	\$0.00	\$803.26	\$803.26	(\$369.50)
717584	\$0.00	\$600.48	\$600.48	(\$276.22)
717585	\$0.00	\$1,384.88	\$1,384.88	(\$637.04)
717586	\$0.00	\$1,344.21	\$1,344.21	(\$618.34)
717587	\$0.00	\$936.53	\$936.53	(\$430.80)
717588	\$0.00	\$1,323.74	\$1,323.74	(\$608.92)
717589	\$0.00	\$1,154.89	\$1,154.89	(\$531.25)
717590	\$0.00	\$1,092.08	\$1,092.08	(\$502.36)
717591	\$0.00	\$1,275.56	\$1,275.56	(\$586.76)
717592	\$0.00	\$1,038.72	\$1,038.72	(\$477.81)
717593	\$0.00	\$1,351.32	\$1,351.32	(\$621.61)
717594	\$0.00	\$373.37	\$373.37	(\$171.75)
717595	\$0.00	\$1,102.45	\$1,102.45	(\$507.13)
717596	\$0.00	\$1,351.32	\$1,351.32	(\$621.61)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
717597	\$0.00	\$1,544.27	\$1,544.27	(\$710.36)
717598	\$0.00	\$1,319.42	\$1,319.42	(\$606.93)
717599	\$0.00	\$1,691.53	\$1,691.53	(\$778.10)
717600	\$0.00	\$1,759.17	\$1,759.17	(\$809.22)
717601	\$0.00	\$1,351.32	\$1,351.32	(\$621.61)
717602	\$0.00	\$1,495.95	\$1,495.95	(\$688.14)
717603	\$0.00	\$1,754.08	\$1,754.08	(\$806.88)
717604	\$0.00	\$0.00	\$0.00	\$0.00
717605	\$0.00	\$224.22	\$224.22	(\$103.14)
717606	\$0.00	\$184.75	\$184.75	(\$84.99)
717607	\$0.00	\$184.04	\$184.04	(\$84.66)
717608	\$0.00	\$184.04	\$184.04	(\$84.66)
717609	\$0.00	\$741.70	\$741.70	(\$341.18)
717610	\$0.00	\$514.12	\$514.12	(\$236.50)
717611	\$0.00	\$924.64	\$924.64	(\$425.33)
717612	\$0.00	\$1,320.54	\$1,320.54	(\$607.45)
717613	\$0.00	\$1,077.64	\$1,077.64	(\$495.71)
717614	\$0.00	\$1,028.00	\$1,028.00	(\$472.88)
717615	\$0.00	\$824.97	\$824.97	(\$379.49)
717616	\$0.00	\$787.78	\$787.78	(\$362.38)
717617	\$0.00	\$939.13	\$939.13	(\$432.00)
717618	\$0.00	\$1,021.76	\$1,021.76	(\$470.01)
717619	\$0.00	\$1,694.30	\$1,694.30	(\$779.38)
717620	\$0.00	\$1,326.22	\$1,326.22	(\$610.06)
717621	\$0.00	\$1,694.30	\$1,694.30	(\$779.38)
717622	\$0.00	\$1,366.56	\$1,366.56	(\$628.62)
717623	\$0.00	\$1,368.47	\$1,368.47	(\$629.50)
717624	\$0.00	\$1,584.87	\$1,584.87	(\$729.04)
717625	\$0.00	\$1,728.15	\$1,728.15	(\$794.95)
717626	\$0.00	\$1,520.82	\$1,520.82	(\$699.58)
717627	\$0.00	\$1,890.66	\$1,890.66	(\$869.70)
717628	\$0.00	\$1,872.61	\$1,872.61	(\$861.40)
717629	\$0.00	\$1,359.56	\$1,359.56	(\$625.40)
717630	\$0.00	\$1,936.64	\$1,936.64	(\$890.85)
717631	\$0.00	\$1,776.13	\$1,776.13	(\$817.02)
717632	\$0.00	\$1,337.98	\$1,337.98	(\$615.47)
717633	\$0.00	\$867.08	\$867.08	(\$398.86)
717634	\$0.00	\$1,694.26	\$1,694.26	(\$779.36)
717635	\$0.00	\$2,014.05	\$2,014.05	(\$926.46)
717636	\$0.00	\$0.00	\$0.00	\$0.00
717637	\$0.00	\$1,369.93	\$1,369.93	(\$630.17)
717638	\$0.00	\$0.00	\$0.00	\$0.00
717639	\$0.00	\$594.52	\$594.52	(\$273.48)
717640	\$0.00	\$1,321.81	\$1,321.81	(\$608.03)
717641	\$0.00	\$1,852.15	\$1,852.15	(\$851.99)
717642	\$0.00	\$1,687.42	\$1,687.42	(\$776.21)
717643	\$0.00	\$0.00	\$0.00	\$0.00
717644	\$0.00	\$1,322.63	\$1,322.63	(\$608.41)
717645	\$0.00	\$1,410.66	\$1,410.66	(\$648.90)
717646	\$0.00	\$615.87	\$615.87	(\$283.30)
717647	\$0.00	\$1,145.32	\$1,145.32	(\$526.85)
717648	\$0.00	\$757.07	\$757.07	(\$348.25)
717649	\$0.00	\$716.73	\$716.73	(\$329.70)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
717650	\$0.00	\$1,341.75	\$1,341.75	(\$617.21)
717651	\$0.00	\$607.60	\$607.60	(\$279.50)
717652	\$0.00	\$713.74	\$713.74	(\$328.32)
717653	\$0.00	\$610.04	\$610.04	(\$280.62)
717654	\$0.00	\$600.48	\$600.48	(\$276.22)
717655	\$0.00	\$803.26	\$803.26	(\$369.50)
717656	\$0.00	\$314.80	\$314.80	(\$144.81)
717657	\$0.00	\$1,469.55	\$1,469.55	(\$675.99)
717658	\$0.00	\$0.00	\$0.00	\$0.00
717659	\$0.00	\$728.69	\$728.69	(\$335.20)
717660	\$0.00	\$619.56	\$619.56	(\$285.00)
717661	\$0.00	\$596.98	\$596.98	(\$274.61)
717662	\$0.00	\$627.83	\$627.83	(\$288.80)
717663	\$0.00	\$316.74	\$316.74	(\$145.70)
717664	\$0.00	\$316.74	\$316.74	(\$145.70)
717665	\$0.00	\$316.74	\$316.74	(\$145.70)
717666	\$0.00	\$313.00	\$313.00	(\$143.98)
717667	\$0.00	\$312.04	\$312.04	(\$143.54)
717668	\$0.00	\$0.00	\$0.00	\$0.00
717669	\$0.00	\$312.04	\$312.04	(\$143.54)
717670	\$0.00	\$312.04	\$312.04	(\$143.54)
717671	\$0.00	\$1,746.83	\$1,746.83	(\$803.54)
717672	\$0.00	\$1,410.66	\$1,410.66	(\$648.90)
717673	\$0.00	\$1,856.91	\$1,856.91	(\$854.18)
717674	\$0.00	\$1,658.84	\$1,658.84	(\$763.07)
717675	\$0.00	\$1,301.53	\$1,301.53	(\$598.70)
717676	\$0.00	\$1,763.37	\$1,763.37	(\$811.15)
717677	\$0.00	\$1,715.06	\$1,715.06	(\$788.93)
717678	\$0.00	\$1,354.48	\$1,354.48	(\$623.06)
717679	\$0.00	\$1,992.11	\$1,992.11	(\$916.37)
717680	\$0.00	\$1,882.94	\$1,882.94	(\$866.15)
717681	\$0.00	\$1,687.30	\$1,687.30	(\$776.16)
717682	\$0.00	\$1,332.95	\$1,332.95	(\$613.16)
717683	\$0.00	\$1,962.23	\$1,962.23	(\$902.63)
717684	\$0.00	\$2,092.11	\$2,092.11	(\$962.37)
717685	\$0.00	\$1,361.11	\$1,361.11	(\$626.11)
717686	\$0.00	\$1,328.84	\$1,328.84	(\$611.27)
717687	\$0.00	\$1,724.96	\$1,724.96	(\$793.48)
717688	\$0.00	\$1,768.59	\$1,768.59	(\$813.55)
717689	\$0.00	\$1,699.15	\$1,699.15	(\$781.61)
717690	\$0.00	\$1,559.08	\$1,559.08	(\$717.18)
717691	\$0.00	\$1,366.19	\$1,366.19	(\$628.45)
717692	\$0.00	\$1,269.31	\$1,269.31	(\$583.88)
717693	\$0.00	\$2,010.31	\$2,010.31	(\$924.74)
717694	\$0.00	\$1,730.42	\$1,730.42	(\$795.99)
717695	\$0.00	\$1,475.27	\$1,475.27	(\$678.62)
717696	\$0.00	\$647.50	\$647.50	(\$297.85)
717697	\$0.00	\$214.80	\$214.80	(\$98.81)
717698	\$0.00	\$206.15	\$206.15	(\$94.83)
717699	\$0.00	\$331.02	\$331.02	(\$152.27)
717700	\$0.00	\$320.56	\$320.56	(\$147.46)
717701	\$0.00	\$1,349.08	\$1,349.08	(\$620.58)
717702	\$0.00	\$1,310.84	\$1,310.84	(\$602.99)

Appendix F-2
TIRZ Credit Calculation - Improvement Area #2
2020-21

Property ID	Base Year Town Taxes Paid	2019 Town Taxes Paid	2019 Tax Increment	2020-21 TIRZ Credit
717703	\$0.00	\$301.57	\$301.57	(\$138.72)
717704	\$0.00	\$299.40	\$299.40	(\$137.72)
717705	\$0.00	\$1,341.30	\$1,341.30	(\$617.00)
717706	\$0.00	\$1,531.36	\$1,531.36	(\$704.43)
717707	\$0.00	\$1,754.27	\$1,754.27	(\$806.96)
717708	\$0.00	\$1,677.48	\$1,677.48	(\$771.64)
717709	\$0.00	\$1,705.53	\$1,705.53	(\$784.54)
717710	\$0.00	\$1,309.41	\$1,309.41	(\$602.33)
717711	\$0.00	\$1,271.53	\$1,271.53	(\$584.90)
717712	\$0.00	\$1,528.81	\$1,528.81	(\$703.25)
717713	\$0.00	\$1,752.81	\$1,752.81	(\$806.29)
717714	\$0.00	\$498.14	\$498.14	(\$229.14)
717715	\$0.00	\$356.80	\$356.80	(\$164.13)
717716	\$0.00	\$575.19	\$575.19	(\$264.59)
717717	\$0.00	\$221.52	\$221.52	(\$101.90)
717718	\$0.00	\$360.99	\$360.99	(\$166.06)
717719	\$0.00	\$206.32	\$206.32	(\$94.91)
717720	\$0.00	\$625.35	\$625.35	(\$287.66)
717721	\$0.00	\$769.46	\$769.46	(\$353.95)
717722	\$0.00	\$218.20	\$218.20	(\$100.37)
717723	\$0.00	\$309.42	\$309.42	(\$142.33)
717724	\$0.00	\$257.85	\$257.85	(\$118.61)
717725	\$0.00	\$257.85	\$257.85	(\$118.61)
717726	\$0.00	\$257.85	\$257.85	(\$118.61)
717727	\$0.00	\$0.00	\$0.00	\$0.00
717728	\$0.00	\$257.85	\$257.85	(\$118.61)
717729	\$0.00	\$257.85	\$257.85	(\$118.61)
717730	\$0.00	\$257.85	\$257.85	(\$118.61)
717731	\$0.00	\$309.42	\$309.42	(\$142.33)
Total	\$0.00	\$439,751.00	\$439,751.00	(\$202,285.46)

APPENDIX G

PHASE #3B LOCAL IMPROVEMENTS AMENDED ASSESSMENT ROLL SUMMARY – 2020-21

Appendix G
Assessment Roll Summary - Phase #3B
2020-21

Parcel	Estimated No. of units	Original Lot Type	Amended Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Administrative Expense	TIRZ Credit	Annual Installment
757670	0	0	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
757669	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757668	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757667	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757666	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757665	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757664	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757663	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757662	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757661	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757660	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757659	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757658	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757657	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757656	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757655	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757654	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757653	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757652	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757651	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757650	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757649	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757648	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757647	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757646	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757645	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757644	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757643	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757642	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757641	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757640	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757639	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757638	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757637	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757636	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757635	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757634	1	40	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757633	1	50	50	0.76	\$20,725.41	\$176.82	\$1,867.36	\$178.80	\$0.00	\$2,222.99
757632	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757631	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757630	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757629	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757628	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757627	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757626	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757625	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757624	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757623	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757622	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757621	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757620	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757619	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757618	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757617	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757616	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757615	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757614	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24

Parcel	Estimated No. of units	Original Lot Type	Amended Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Adminstrative Expense	TIRZ Credit	Annual Installment
757613	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757612	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757611	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757610	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757609	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757608	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757607	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757606	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757605	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757604	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757603	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757602	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757601	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757600	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757599	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757598	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757597	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757596	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757595	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757594	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757593	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757592	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757591	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757590	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757589	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757588	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757587	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757586	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757585	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757584	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757583	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757582	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757581	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757580	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757579	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757578	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757577	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757576	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757575	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757574	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757573	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757572	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757571	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757570	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757569	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757568	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757567	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757566	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757565	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757564	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757563	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757562	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757561	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757560	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757559	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757558	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757557	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757556	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757555	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757554	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757553	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24

Parcel	Estimated No. of units	Original Lot Type	Amended Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Administrative Expense	TIRZ Credit	Annual Installment
757552	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757551	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757550	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757549	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757548	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757547	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757546	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757545	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757544	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757543	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757542	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757541	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757540	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757539	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757538	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757537	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757536	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757535	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757534	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757533	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757532	1	40	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
757531	1	50	40	0.65	\$17,725.68	\$151.23	\$1,597.08	\$152.92	\$0.00	\$1,901.24
Total	139			92.66	\$2,526,863.98	\$21,558.34	\$227,670.44	\$21,800.00	\$0.00	\$271,028.78

**VALENCIA
PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, TEXAS**

**ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/20 - 8/31/21)**

**APPROVED BY TOWN COUNCIL ON:
AUGUST 18, 2020 &
AMENDED ON JANUARY 19, 2021**

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

VALENCIA PUBLIC IMPROVEMENT DISTRICT

ANNUAL SERVICE PLAN UPDATE (ASSESSMENT YEAR 9/1/20 – 8/31/21)

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I. INTRODUCTION

The Valencia Public Improvement District (the “PID”) was created pursuant to the PID Act and a resolution of the Town Council on September 13, 2013 to finance certain public improvement projects for the benefit of the property in the PID.

On February 21, 2014, the Town of Little Elm (the “Town”) approved the issuance of the Town of Little Elm Texas Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phase #1 Project) (the “Phase #1 Bonds”) in the aggregate principal amount of \$4,000,000, and the Town of Little Elm, Texas Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phases #2-5 Major Improvement Project) (the “Phases #2-5 Bonds”) in the aggregate principal amount of \$12,240,000. The Phase #1 Bonds and Phases #2-5 Bonds were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. In addition, reimbursement obligations for the Phase #1 Reimbursement Agreement in the aggregate principal amount of \$3,435,000 and, reimbursement obligations for the Phase #2 Reimbursement Agreement in the aggregate principal amount of \$11,220,000 are secured by Assessments.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the Town identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements.

On February 20, 2018, the Town approved the issuance of the Phase #1 Refunding and Improvement Bonds, the Improvement Area #2 Refunding and Improvement Bonds and the Major Improvement Area Refunding Bonds. The Phase #1 Refunding and Improvement Bonds were issued to refund the 2014 Phase #1 Bonds and refinance the Phase #1 Reimbursement Agreement and are secured by the Phase #1 Assessments. The Improvement Area #2 Refunding and Improvement Bonds were issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to Improvement Area #2 and to refinance the pro rata portion of the Phase #2 Reimbursement Agreement relating to the Improvement Area #2 Local Improvements, and are secured by the Improvement Area #2 Assessments. The Major Improvement Area Refunding Bonds are being issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to Phase #2B, Phase #3B, and Phase #4 and are secured by the Assessments shown on the Major Improvement Area Assessment Roll.

The Service and Assessment Plan was initially updated on June 6, 2017 for Phase #2 and was again updated on February 20, 2018 (collectively, the “Updated Service and Assessment Plan”) to incorporate the refunding and additional Bond issuance described above. Pursuant to Chapter 372, Texas Local Government Code, the Service and Assessment Plan must be reviewed and updated annually. This document is an amendment to the annual update of the Service and Assessment Plan for 2020-21 approved by Town Council on August 18, 2020, pursuant to the amended Phase

#3B Lot Type identification provided by the project engineer on November 12, 2020. These changes do not affect the budget and are limited to updating the Phase #3B Assessment Roll as shown in the Phase #B Assessment Roll Summary as shown in Appendix G.

The Town also adopted the Phase # 1 Assessment Roll, Major Improvement Area Assessment Roll, and Improvement Area #2 Assessment Roll attached as Appendix D, Appendix F, and Appendix H, respectively, to the Updated Service and Assessment Plan, identifying the assessments on each parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for 2020-21.

Capitalized terms used herein shall have the meanings specified in the Updated Service and Assessment Plan, unless defined otherwise in this update.

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II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

Phase #1 Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Phase #1 Improvements, including Phase #1's share of Major Improvement costs and bond issuance, were equal to \$7,435,000. According to the Trustee's records as of June 30, 2020, the costs spent to date of the Phase #1 Improvements, were equal to \$6,687,618 representing a decrease \$712,117 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the Phase #1 Refunding and Improvement Bonds were \$1,457,006.

Table II-A on the following page summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements, (2) establish the PID, and (3) issue Phase #1 Refunding and Improvement Bonds. The actual costs spent to date of the Phase #1 Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of December 31, 2017. For additional Phase #1 development-related information, refer to the link below:

<https://emma.msrb.org/ES1022227-ES799705-ES1201049.pdf>

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Table II-A
Updated Sources and Uses of Funds
Phase #1 Refunding and Improvement Bonds

Sources of Funds	Initial Budget	Budget Changes¹	Revised Budget	Funded to Date	Remaining Balance to be Funded
Bond par amount (Series 2014)	\$505,002	\$0	\$505,002	\$505,002	\$0
Bond Par Amount (Series 2018 Refunding)	\$6,929,998	\$0	\$6,929,998	\$6,217,881	\$712,117
Other funding sources ¹	\$0	(\$35,265)	(\$35,265)	(\$35,265)	\$0
Total Sources	\$7,435,000	(\$35,265)	\$7,399,735	\$6,687,618	\$712,117
Uses of Funds					
<u>Major Improvements</u>					
Road improvements	\$721,517	(\$12,679)	\$708,838	\$451,935	\$256,903
Water distribution system improvements	\$280,685	(\$4,933)	\$275,752	\$175,812	\$99,941
Sanitary sewer improvements	\$290,984	(\$5,113)	\$285,871	\$182,263	\$103,608
Storm drainage improvements	\$79,114	(\$1,391)	\$77,723	\$49,554	\$28,169
Other soft and miscellaneous costs	\$627,811	(\$11,149)	\$616,662	\$393,166	\$223,496
Subtotal	\$2,000,111	(\$35,265)	\$1,964,846	\$1,252,729	\$712,117
<u>Phase #1 Improvements</u>					
Road improvements	\$1,799,960	\$0	\$1,799,960	\$1,799,960	\$0
Water distribution system improvements	\$468,155	\$0	\$468,155	\$468,155	\$0
Sanitary sewer improvements	\$600,493	\$0	\$600,493	\$600,493	\$0
Storm drainage improvements	\$372,030	\$0	\$372,030	\$372,030	\$0
Other soft and miscellaneous costs	\$737,245	\$0	\$737,245	\$737,245	\$0
Subtotal	\$3,977,883	\$0	\$3,977,883	\$3,977,883	\$0
Bond issuance costs	\$1,457,006	\$0	\$1,457,006	\$1,457,006	\$0
Total Uses	\$7,435,000	(\$35,265)	\$7,399,735	\$6,687,618	\$712,117

¹ – Reported budget changes are absorbed in the Major Improvement Area and Improvement Area #2 revised budgets.

Phase #1 Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Phase #1 Authorized Improvement cost variances.

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Major Improvement Area Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Major Improvements, including bond issuance costs, were equal to \$7,720,338. As described in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, the costs spent to date of the Major Improvements were equal to \$7,459,218, representing a decrease of \$283,362 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the PID Bonds were \$1,786,963.

Table II-B below summarizes the updated sources and uses of funds required to (1) construct the Major Improvements, (2) establish the PID, and (3) issue Major Improvement Refunding and Improvement Bonds. The actual costs spent to date of the Major Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020. For additional Major Improvement development-related information, refer to the link below:

<https://emma.msrb.org/RE1365642-RE1061210-RE1470822.pdf>

Table II-B
Updated Sources and Uses of Funds
Major Improvement Area Refunding Bonds

Sources of Funds	Initial Budget	Budget Changes ¹	Revised Budget	Funded to Date ¹	Remaining Balance to be Funded ¹
Bond par amount (Series 2014)	\$6,607,070	\$0	\$6,607,070	\$6,323,708	\$283,362
Bond Par Amount (Series 2018 MI Refunding)	\$1,113,268	\$0	\$1,113,268	\$1,113,268	\$0
Other funding sources	\$0	\$22,243	\$22,243	\$22,243	\$0
Total Sources	\$7,720,338	\$22,243	\$7,742,580	\$7,459,218	\$283,362
Uses of Funds					
<u>Major Improvements</u>					
Road improvements	\$2,140,398	\$8,151	\$2,148,549	\$1,885,264	\$263,284
Water distribution system improvements	\$832,658	\$3,171	\$835,829	\$622,901	\$212,927
Sanitary sewer improvements	\$863,211	\$3,287	\$866,498	\$822,368	\$44,130
Storm drainage improvements	\$234,692	\$894	\$235,586	\$285,968	(\$50,382)
Other soft and miscellaneous costs	\$1,862,415	\$6,741	\$1,869,156	\$2,055,754	(\$186,598)
Subtotal	\$5,933,375	\$22,243	\$5,955,617	\$5,672,255	\$283,362
Bond issuance costs	\$1,786,963	\$0	\$1,786,963	\$1,786,963	\$0
Total Uses	\$7,720,338	\$22,243	\$7,742,580	\$7,459,218	\$283,362

¹ – According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020.

Major Improvement Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Major Improvement cost variances.

Improvement Area #2 Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Improvement Area #2 Local Improvements, including Improvement Area #2's share of the Major Improvement costs and bond issuance costs, were equal to \$16,511,941. As described in the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2019, the actual costs of the Improvement Area #2 Local Improvements, were equal to \$13,659,725, representing a decrease of \$2,878,081 from the initial total estimated costs. As described in the Closing Instruction Letter dated March 15, 2018, the actual issuance costs of the PID Bonds were \$3,208,280.

Table II-C on the following page summarizes the updated sources and uses of funds required to (1) construct the Improvement Area #2 Improvements, (2) establish the PID, and (3) issue Improvement Area #2 Refunding and Improvement Bonds. The actual costs spent to date of the Improvement Area #2 Local Improvements were provided by the Developer in the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2019. For additional Improvement Area #2 Local Improvement development-related information, refer to the link below:

<https://emma.msrb.org/ER1215154-ER951229-ER1352217.pdf>

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Table II-C
Updated Sources and Uses of Funds
Improvement Area #2 Refunding and Improvement Bonds

Sources of Funds	Initial Budget	Budget Changes ^{1,2}	Revised Budget	Funded to Date ¹	Remaining Balance to be Funded ¹
Bond par amount (Series 2014)	\$3,867,930	\$0	\$3,867,930	\$3,867,930	\$0
Bond Par Amount (Series 2018 MI Refunding)	\$651,732	\$0	\$651,732	\$651,732	\$0
IA #2 Bonds	\$8,673,847	\$0	\$8,673,847	\$8,673,847	\$0
Other funding Sources	\$3,318,432	\$13,021	\$3,331,453	\$466,216	\$2,878,081
Total Sources	\$16,511,941	\$13,021	\$16,524,963	\$13,659,725	\$2,878,081
Uses of Funds					
<i>Major Improvements</i>					
Road improvements	\$1,253,038	\$4,771	\$1,257,809	\$1,103,677	\$0
Water distribution system improvements	\$487,457	\$1,856	\$489,313	\$364,661	\$0
Sanitary sewer improvements	\$505,344	\$1,924	\$507,268	\$481,433	\$178,730
Storm drainage improvements	\$137,394	\$523	\$137,917	\$167,412	\$0
Other soft and miscellaneous costs	\$1,090,301	\$3,946	\$1,094,247	\$1,203,485	\$0
Subtotal	\$3,473,533	\$13,021	\$3,486,555	\$3,320,668	\$178,730
<i>IA #2 Improvements</i>					
Road improvements	\$4,118,714	\$0	\$4,118,714	\$3,213,624	\$905,090
Water distribution system improvements	\$1,100,434	\$0	\$1,100,434	\$745,236	\$355,198
Sanitary sewer improvements	\$1,250,067	\$0	\$1,250,067	\$858,754	\$391,313
Storm drainage improvements	\$608,659	\$0	\$608,659	\$439,758	\$168,901
Other soft and miscellaneous costs	\$2,752,254	\$0	\$2,752,254	\$1,873,405	\$878,849
Subtotal	\$9,830,128	\$0	\$9,830,128	\$7,130,777	\$2,699,351
Bond issuance costs	\$3,208,280	\$0	\$3,208,280	\$3,208,280	\$0
Total Uses	\$16,511,941	\$13,021	\$16,524,963	\$13,659,725	\$2,878,081

1 – Reported budget changes are absorbed in the Major Improvement Area and Improvement Area #2 revised budgets.

2 - According to the Developer's Quarterly Improvement Implementation Report dated as of March 31, 2020.

Improvement Area #2 Cost Variances

According to the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, there are no significant Improvement Area #2 cost variances.

Phase #3B Sources and Uses

Pursuant to the updated Service and Assessment Plan adopted on February 20, 2018, the initial total estimated costs of the Phase #3B Improvements were equal to \$2,885,572. As described in the Developer's Quarterly Improvement Implementation Report dated as of June 30, 2020, the costs spent to date of the Phase #3B Improvements, remain unchanged.

Table II-D below summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements, and (2) establish the PID. The actual costs spent to date of the Phase #3B Improvements were provided by the Developer.

Table II-D
Updated Sources and Uses of Funds
Phase #2 Reimbursement Agreement

Sources of Funds	Initial Budget¹	Budget Changes	Revised Budget^{1,2}	Variance
Par amount	\$2,546,153	\$0	\$2,546,153	\$0
Other funding sources	\$339,419	\$0	\$339,419	
Total Sources	\$2,885,572	\$0	\$2,885,572	\$0
Uses of Funds				
<i><u>Phases #3B Improvements</u></i>				
Road improvements	\$1,209,023	\$0	\$1,209,023	\$0
Water distribution system improvements	\$323,026	\$0	\$323,026	\$0
Sanitary sewer improvements	\$366,949	\$0	\$366,949	\$0
Storm drainage improvements	\$178,668	\$0	\$178,668	\$0
Other soft including Right of Way and miscellaneous costs	\$807,906	\$0	\$807,906	\$0
Total Uses	\$2,885,572	\$0	\$2,885,572	\$0

1 – According to the Service and Assessment Plan as updated for refunding and Phased PID Bond issuance February 20, 2018.

2 – The Developer has not yet submitted disbursements under the Phase #2 Reimbursement Agreement.

Phase #3B Cost Variances

As stated in Table II-D above there are no significant variances between the initial estimated budget and the actual amount spent to be reported at this time.

B. FIVE YEAR SERVICE PLAN

According to the PID Act, a service plan must cover a period of five years. According to the Developer Quarterly Improvement Implementation Report dated December 31, 2017, the Phase #1 Improvements were completed and accepted by the Town on June 24, 2015.

According to the Developer Quarterly Improvement Implementation Report dated June 30, 2018, the Improvement Area #2 Improvements were completed and accepted on January 19, 2018.

According to the Developer Quarterly Improvement Implementation Report dated June 30, 2020, the Phase #3B Improvements were completed and accepted on July 9, 2019.

For additional details regarding the MIA Improvements, refer to the following link for the most recent Developer's Quarterly Improvement Implementation Report.

<https://emma.msrb.org/RE1365642-RE1061210-RE1470822.pdf>

Based upon the actual budget for the Authorized Improvements, the Annual Installments expected to be collected during the next five years is shown in Table II-E below.

Table II-E
Annual Projected Costs and Annual Projected Indebtedness (2014-2026)

Assessment Year ending 09/01	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds	Phase #1 Projected Annual Installments ²	Major Improvement Area Projected Annual Installments ²	Improvement Area #2 Projected Annual Installments	Phase #3B Projected Annual Installments
2014-2020 ¹	\$32,390,700	\$30,895,000	\$1,495,700	\$3,373,657	\$6,597,983	\$2,942,493	\$269,097
2021	\$0	\$0	\$0	\$376,525	\$615,902	\$789,900	\$271,029
2022	\$0	\$0	\$0	\$577,984	\$622,866	\$992,826	\$271,914
2023	\$0	\$0	\$0	\$574,436	\$623,410	\$994,992	\$199,084
2024	\$0	\$0	\$0	\$575,434	\$624,000	\$996,560	\$201,216
2025	\$0	\$0	\$0	\$575,866	\$624,623	\$993,160	\$203,152
2026	\$0	\$0	\$0	\$575,734	\$625,273	\$994,148	\$204,892
Total	\$32,390,700	\$30,895,000	\$1,495,700	\$6,629,636	\$10,334,056	\$8,704,079	\$1,620,384

1 – Assessment years ending 2019 through 2021 reflect actual Annual Installments and are net of applicable reserve fund income, capitalized interest and TIRZ Credits. Assessment years 2022 through 2026 reflect projected Annual Installments and are subject to change.

2 – 2014-20 amounts represent Annual Installments for Series 2014 Improvement Bonds and Series 2018 Refunding and Improvement Bonds.

C. ANNUAL BUDGET – PHASE #1

Phase #1 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment securing the Phase #1 Refunding and Improvement Bonds shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Phase #1 Refunding and Improvement Bonds, of which twenty-four (24) Annual Installments remain outstanding.

Pursuant to the Updated Service and Assessment Plan, each Assessment shall bear interest at the rate on the Phase #1 Refunding and Improvement Bonds. The effective interest rate on the Phase #1 Refunding and Improvement Bonds is 6.52 percent per annum for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phase #1A Bonds (6.52%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments”

of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, applicable Trust Indenture, such the TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #1 Refunding and Improvement Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phase #1 Annual Installments to be Collected for 2020-21

The budget for Phase #1 of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-F on the following page.

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Table II-F
Budget for the Phase #1 Annual Installments
to be Collected for 2020-21

Descriptions	<u>Phase #1 Refunding and Improvement Bonds</u>
Interest payment on March 1, 2021	\$219,195
Interest payment on September 1, 2021	\$219,195
Principal payment on September 1, 2021	\$73,349
<i>Subtotal debt service on bonds</i>	<i>\$511,739</i>
Administrative Expenses	\$33,000
Excess interest for prepayment and delinquency reserves	\$33,634
<i>Subtotal Expenses</i>	<i>\$578,373</i>
Available TIRZ Credit	(\$198,198)
Available reserve fund income	(\$3,651)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$201,849)</i>
Annual Installments	\$376,525

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$219,195 and on September 1, 2021 in the amount of \$219,195, which equal interest on the outstanding Assessments balance of \$6,726,846 for six months each and an effective interest rate of 6.52 percent. Annual Installments to be collected include a principal amount of \$73,349 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$511,739.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-G on the following page, the total Phase #1 administrative expenses to be collected for 2020-21 are estimated to be \$33,000.

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Table II-G
Phase #1 Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$2,200
PID Administrator	\$18,100
Trustee	\$9,500
Auditor	\$1,700
Dissemination Agent	\$0
Contingency	\$1,500
Total	\$33,000

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$198,198 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within Phase #1. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Phase #1 TIRZ Credit calculations are shown in Appendix D-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$523,426, which includes the Bond Reserve Requirement of \$519,775. As a result, the excess balance available to pay the PID debt service is \$3,651 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Phase #1 Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$22,290. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the administrative expense portion of the Annual Installment.

E. ANNUAL INSTALLMENTS PER UNIT - PHASE #1

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Refunding and Improvement Bonds,

to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of Phase #1.

According to the Developer, 210 units representing 177.89 total Equivalent Units are were built within Phase #1 of the PID. The Assessment due from one Lot Type 3 Parcel (Parcel 662606) was prepaid in full, resulting in a total of 177.08 in total outstanding Equivalent Units ($177.89 - 0.81 = 177.08$). Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit (the “Annual Assessment for Principal and Interest”) will be \$3,059.20 (i.e. $\$541,722 \div 177.08 = \$3,059.20$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$186.36 (i.e. $\$33,000 \div 177.08 = \186.36). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #1 will be \$3,245.55 (i.e. $\$3,059.20 + \$186.36 = \$3,245.55$). The Annual Installment to be collected from each Parcel within Phase #1 (before any applicable TIRZ Credit) is calculated by multiplying the Annual Installment for each Equivalent Unit of \$3,245.55 by the total estimated Equivalent Units for each Parcel in Phase #1.

The Annual Installment due to be collected from each Land Use Class in Phase #1 for 2020-21 is shown in Table II-H below.

Table II-H
Annual Installment Per Unit – Phase #1

Land Use Class	Annual Installment¹	Equivalent Unit Factor	Annual Installment Per Unit¹
Lot Type 1 (80' Lot)	\$3,245.55	1.00	\$3,245.55
Lot Type 3 (60' Lot)	\$3,245.55	0.81	\$2,628.90

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Phase #1 of the PID, the estimated number of units to be developed on the current residential Parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix D-1.

F. ANNUAL BUDGET – MAJOR IMPROVEMENT AREA

Major Improvement Area - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Major Improvement Area Refunding Bonds. As a result of the Major Improvement Area Refunding Bonds issuance, the timing and structure of the Annual Installments were adjusted to allow the repayment to occur over thirty annual installments beginning with the tax year following the issuance of the Major Improvement Area Refunding Bonds, of which twenty-eight (28) Annual Installments remain outstanding.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Major Improvement Area Refunding Bonds commencing with the issuance of the Major Improvement Area Refunding Bonds. The effective interest rate on the Major Improvement Area Refunding Bonds is 8.16 percent for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Major Improvement Area Refunding Bonds (8.16%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Bond Ordinance, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Major Improvement Area Refunding Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Major Improvement Area Annual Installments to be Collected for 2020-21

The budget for Major Improvement Area of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-I on the following page.

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Table II-I
Budget for the Major Improvement Area Annual Installments
to be Collected for 2020-21

Descriptions	<u>Major Improvement Area</u> <u>Refunding Bonds</u>
Interest payment on March 1, 2021	\$265,181
Interest payment on September 1, 2021	\$265,181
Principal payment on September 1, 2021	\$28,326
<i>Subtotal debt service on bonds</i>	<i>\$558,688</i>
Administrative Expenses	\$41,600
Excess interest for prepayment and delinquency reserves	\$32,484
<i>Subtotal Expenses</i>	<i>\$632,771</i>
Available TIRZ Credit	(\$10,751)
Available reserve fund income	(\$6,118)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$16,869)</i>
Annual Installments	\$615,902

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$265,181 and on September 1, 2021 in the amount of \$265,181 which equal interest on the outstanding Major Improvement Area Assessments balance of \$6,496,701 for six months each and an effective interest rate of 8.16 percent. Annual Installments to be collected include a principal amount of \$28,326 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$558,688.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-J on the following page, the total Major Improvement Area administrative expenses to be collected for 2020-21 are estimated to be \$41,600.

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Table II-J
Major Improvement Area Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$6,900
PID Administrator	\$18,800
Trustee	\$8,500
Auditor	\$5,400
Dissemination Agent	\$0
Contingency	\$2,000
Total	\$41,600

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$10,751 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within the Major Improvement Area of the PID. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Major Improvement Area TIRZ Credit calculations are shown in Appendix E-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$566,555, which includes the Bond Reserve Requirement of \$560,438. As a result, the excess balance available to pay the PID debt service is \$6,118 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Major Improvement Area Refunding Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$38,456. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the Annual Installment.

G. ANNUAL INSTALLMENTS PER UNIT – MAJOR IMPROVEMENT AREA

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Major Improvement Area Bonds, to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of the Major Improvement Area.

According to the Updated Service and Assessment Plan, 656 units representing 539.20 total Equivalent Units are estimated to be built within the Major Improvement Area of the PID. Accordingly, the Annual Assessment for Principal and Interest portion of Annual Installment to be collected from each Equivalent Unit will be \$1,085.04 (i.e. $\$585,053 \div 539.20 = \$1,085.04$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$77.15 (i.e. $\$41,600 \div 539.20 = \77.15). As a result, the total Annual Installment to be collected from each Equivalent Unit within the Major Improvement Area will be \$1,162.19 (i.e. $\$1,085.04 + \$77.15 = \$1,162.19$). The Annual Installment to be collected from each Parcel within the Major Improvement Area is calculated by multiplying the Annual Installment for each Equivalent Unit of \$1,162.19 by the total estimated Equivalent Units for each Parcel in the Major Improvement Area.

The Annual Installment due to be collected from each Land Use Class in the Major Improvement Area for 2020-21 is shown in Table II-K below.

Table II-K
Annual Installment Per Unit – Major Improvement Area

Land Use Class	Annual Installment ¹	Equivalent Unit Factor	Annual Installment Per Unit ¹
Lot Type 1 (80' Lot)	\$1,162.19	1.00	\$1,162.19
Lot Type 2 (70' Lot)	\$1,162.19	0.92	\$1,069.22
Lot Type 3 (60' Lot)	\$1,162.19	0.81	\$941.37
Lot Type 4 (50' Lot)	\$1,162.19	0.76	\$883.26
Lot Type 5 (40' Lot)	\$1,162.19	0.65	\$755.42
Lot Type 6 (25' Lot)	\$1,162.19	0.47	\$546.23

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within the Major Improvement Area of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix E-1.

H. ANNUAL BUDGET – IMPROVEMENT AREA #2

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment securing the Improvement Area #2 Refunding and Improvement Bonds shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Improvement Area #2 Refunding and Improvement Bonds, of which twenty-eight (28) Annual Installments remain outstanding.

Pursuant to the Updated Service and Assessment Plan, each Assessment shall bear interest at the rate on the Improvement Area #2 Refunding and Improvement Bonds. The effective interest rate on the Improvement Area #2 Refunding and Improvement Bonds is 6.22 percent per annum for 2020-21. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Improvement Area #2 Refunding and Improvement Bonds (6.22%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, such as the TIRZ Credit and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Improvement Area #2 Refunding and Improvement Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment reserve and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Improvement Area #2 - Annual Installments to be Collected for 2020-21

The budget for Improvement Area #2 of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-L on the following page.

Table II-L
Budget for the Improvement Area #2 Annual Installments
to be Collected for 2020-21

Descriptions	<u>Improvement Area #2 Refunding</u> <u>and Improvement Bonds</u>
Interest payment on March 1, 2021	\$380,072
Interest payment on September 1, 2021	\$380,072
Principal payment on September 1, 2021	\$141,187
<i>Subtotal debt service on bonds</i>	<i>\$901,332</i>
Administrative Expenses	\$39,600
Excess interest for prepayment and delinquency reserves	\$61,104
<i>Subtotal Expenses</i>	<i>\$1,002,036</i>
Available TIRZ Credit	(\$202,285)
Available reserve fund income	(\$9,851)
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	<i>(\$212,136)</i>
Annual Installments	\$789,900

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$380,072 and on September 1, 2021 in the amount of \$380,072 which equal interest on the outstanding Improvement Area #2 Assessments balance of \$12,220,831 for six months each and an effective interest rate of 6.22 percent. Annual Installments to be collected include a principal amount of \$141,187 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$901,332.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, dissemination agent expenses and contingency fees. As shown in Table II-M on the following page, the Improvement Area #2 total administrative expenses to be collected for 2020-21 are estimated to be \$39,600.

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Table II-M
Improvement Area #2 Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$4,700
PID Administrator	\$19,400
Trustee	\$9,900
Auditor	\$3,700
Dissemination Agent	\$0
Contingency	\$1,900
Total	\$39,600

Available TIRZ Credit

According to the Town, there have been TIRZ increments collected in tax year 2019 in the total amount of \$202,285 that are available to be used as TIRZ Credit in 2020-21 for the respective Parcels within Improvement Area #2 of the PID. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis. The Improvement Area #2 TIRZ Credit calculations are shown in Appendix F-2 of this report.

Available Reserve Fund Income

As of June 30, 2020, the balance in the Reserve Fund was \$905,125, which includes the Bond Reserve Requirement of \$914,976. As a result, the excess balance available to pay the PID debt service is \$9,851 and pursuant to Section 6.7(d) of the Trust Indenture, that amount should be transferred to the Bond Fund and used to pay interest on the Improvement Area #2 Refunding Bonds on the next interest payment date.

Available Capitalized Interest Account

As of June 30, 2020, the Trustee reported that the Capitalized Interest Fund been fully expended. As a result, there is no credit to reduce the Annual Installment.

Available Administrative Expense Account

As of June 30, 2020, the balance in the Administrative Expense Fund was \$21,220. Such funds are anticipated to be used until January 31, 2021. As a result, there is no credit to reduce the Annual Installment.

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I. ANNUAL INSTALLMENTS PER UNIT – IMPROVEMENT AREA #2

According to the Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Improvement Area #2 Refunding and Improvement Bonds, to fund the prepayment reserve and delinquency reserve and to cover Administrative Expenses of Improvement Area #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel.

According to the Developer, 444 units representing 315.66 total Equivalent Units are expected to be built within Improvement Area #2 of the PID. The Assessment due from one Lot Type 5 Parcel (Parcel 717668) was prepaid in full, resulting in a total of 315.01 in total outstanding Equivalent Units ($315.66 - 0.65 = 315.01$). Accordingly, the Annual Assessment for Principal and Interest to be collected will be \$952,585 (i.e. $\$952,585 \div 315.01 = \$3,023.98$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$125.71 (i.e. $\$39,600 \div 315.01 = \125.71). As a result, the total Annual Installment to be collected from each Equivalent Unit within Improvement Area #2 will be \$3,149.69 (i.e. $\$3,023.98 + \$125.71 = \$3,149.69$). The Annual Installment to be collected from each Parcel within Improvement Area #2 (before any applicable TIRZ Credit) is calculated by multiplying the Annual Installment for each Equivalent Unit of \$3,149.69 by the total estimated Equivalent Units for each Parcel in Improvement Area #2.

The Annual Installment due to be collected from each Land Use Class in the Improvement Area #2 for 2020-21 is shown in Table II-N below.

Table II-N
Annual Installment Per Unit – Improvement Area #2

Land Use Class	Annual Installment¹	Equivalent Unit Factor	Annual Installment Per Unit¹
Lot Type 3 (60' Lot)	\$3,149.69	0.81	\$2,551.25
Lot Type 4 (50' Lot)	\$3,149.69	0.76	\$2,393.77
Lot Type 5 (40' Lot)	\$3,149.69	0.65	\$2,047.30

1 – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Improvement Area #2 of the PID, the estimated number of units to be developed on the current residential Parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2019-20 are shown in the Assessment Roll summary attached hereto as Appendix F-1.

J. ANNUAL BUDGET – PHASE #3B

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the timeframe stipulated in the 2017 annual updates and Ordinance No. 1441 approved by Town Council on December 19, 2017 (the “Deferral Ordinance”) following the conditions stipulated in the Deferral Ordinance for the collection of Annual Installments within Phase #2.

Pursuant to the Deferral Ordinance, the collection of the Assessment associated with the Phase #2 Improvements (which includes the Phase #3B Local Improvements), including the Phase #2 Annual Installments reflected in the Annual Service Plan Update was deferred until the earlier of (i) the date Assessments to support one or more bonds issued to finance Authorized Improvements within the PID are levied or (ii) June 5, 2019, the date immediately preceding the two year anniversary of the levy of Assessments on property (excluding non-benefitted property) located within Phase #2 of the PID. The Assessments shall be due and payable as Annual Installments due for the Phase #2 Improvements without any interest or penalty for past due payments and will be processed in the same manner as other Assessments related to improvements and expenses within the PID are processed, which Assessments shall be due and payable by January 31 of the calendar year immediately following the item reflected in (i) or (ii) above, as applicable.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Phase #3B Reimbursement Agreement commencing with the issuance of the Phase #3B Reimbursement Agreement. The effective interest rate on the Phase #3B Reimbursement Agreement is 9.01 percent for 2020-21. Accordingly, the effective interest rate on the Phase #3B Reimbursement Agreement (9.01%) are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the Town in 2020 and will be delinquent on February 1, 2021.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2020-21 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Bond Ordinance, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #3B Reimbursement Agreement from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

Phase #3B Reimbursement Agreement Annual Installments to be Collected for 2020-21

The budget for Phase #3B of the PID will be paid from the collection of Annual Installments collected for 2020-21 as shown by Table II-O below.

Table II-O
Budget for the Phase #3B Annual Installments
to be Collected for 2020-21

	<u>Phase #3B Reimbursement</u> <u>Agreement</u>
Interest payment on March 1, 2021	\$113,835
Interest payment on September 1, 2021	\$113,835
Principal payment on September 1, 2021	\$21,558
<i>Subtotal debt service on reimbursement agreement</i>	\$249,229
Administrative Expenses	\$21,800
<i>Subtotal Expenses</i>	\$271,029
Available TIRZ Credit	\$0
Available reserve fund income	\$0
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
<i>Subtotal funds available</i>	\$0
Annual Installments	\$271,029

Debt Service Payments

Annual Installments to be collected for principal and interest include interest due on March 1, 2021 in the amount of \$113,835 and on September 1, 2021 in the amount of \$113,835 which equal interest on the outstanding Phase #3B Reimbursement Assessment balance of \$2,526,864 for six months each and an effective interest rate of 9.01 percent. Annual Installments to be collected include a principal amount of \$21,558 due on September 1, 2021. As a result, total Annual Installments to be collected for principal and interest in 2020-21 is estimated to be equal to \$249,229.

Administrative Expenses

Administrative expenses include the Town, Trustee, Administrator, auditor expenses and contingency fees. As shown in Table II-P on the following page, the Improvement Area #2 total administrative expenses to be collected for 2020-21 are estimated to be \$21,800.

Table II-P
Phase #3B Administrative Budget Breakdown

Description	2020-21 Estimated Budget (9/1/20-8/31/21)
Town	\$1,500
PID Administrator	\$18,100
Trustee	\$0
Auditor	\$1,200
Dissemination Agent	\$0
Contingency	\$1,000
Total	\$21,800

K. ANNUAL INSTALLMENTS PER UNIT - PHASE #3B

According to the Updated Service and Assessment Plan, 139 units representing 92.66 total Equivalent Units are estimated to be built within Phase #3B of the PID. Accordingly, the Annual Assessment for Principal and Interest portion of Annual Installment to be collected from each Equivalent Unit will be \$2,689.71 (i.e. $\$249,229 \div 92.66 = \$2,689.71$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$235.71 (i.e. $\$21,800 \div 92.66 = \235.71). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #3B will be \$2,924.98 (i.e. $\$2,689.71 + \$235.27 = \$2,924.98$). The Annual Installment to be collected from each Parcel within Phase #3B is calculated by multiplying the Annual Installment for each Equivalent Unit of \$2,924.98 by the total estimated Equivalent Units for each Parcel in Phase #3B.

The Annual Installment due to be collected from each Land Use Class in Phase #3B for 2020-21 is shown in Table II-Q below.

Table II-Q
Annual Installment Per Unit – Phase #3B

Land Use Class	Annual Installment ¹	Equivalent Unit Factor	Annual Installment Per Unit ¹
Lot Type 4 (50' Lot)	\$2,924.98	0.76	\$2,222.99
Lot Type 5 (40' Lot)	\$2,924.98	0.65	\$1,901.24

¹ – Annual Installment and Annual Installment per Unit represents the gross Annual Installment to be billed and does not reflect applicable TIRZ Credits.

The list of Parcels within Phase #3B of the PID, the estimated number of units to be developed on the current residential Parcels, the total Assessment, the Annual Assessment for Principal and Interest, the Administrative Expenses, the applicable TIRZ Credit and the Annual Installment to be collected for 2020-21 are shown in the Assessment Roll summary attached hereto as Appendix G.

L. BOND REDEMPTION RELATED UPDATES

Phase #1 Refunding and Improvement Bonds

The Phase #1 Refunding and Improvement Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Phase #1 Refunding and Improvement Bonds, the Town reserves the right and option to redeem the Phase #1 Refunding and Improvement Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

Major Improvement Area Refunding Bonds

The Major Improvement Area Refunding Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Major Improvement Area Refunding Bonds, the Town reserves the right and option to redeem the Major Improvement Area Refunding Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

Improvement Area #2 Refunding and Improvement Bonds

The Improvement Area #2 Refunding and Improvement Bonds were issued in February 2018. Pursuant to Section 4.3 of the Trust Indenture relating to the Improvement Area #2 Refunding and Improvement Bonds, the Town reserves the right and option to redeem the Improvement Area #2 Refunding and Improvement Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after **September 1, 2028**, such redemption date or dates to be fixed by the Town, at the redemption prices and dates shown in the Trust Indenture.

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III. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan adopted by the Town Council provided that the Authorized Improvement Costs shall be allocated to the Assessed Property equally on the basis of the number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement Costs to Parcels similarly benefited.

Assessment Methodology

This method of assessing property has not been changed other than those described in the initial Annual Service Plan Update for 2016 approved on August 2, 2016 and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

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IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the original Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

- (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act;
- (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix D-1, E-1, F-1 and G. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the estimated Equivalent Units to be built on each newly subdivided Parcel

D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Denton County CAD online records, Phase #3B of the PID were subdivided in 2019 and the Assessments were allocated proportionally according to lot type. The various Phase #3B Lots were officially recognized within the Denton County Appraisal District records for 2020.

Table IV-A on the following page shows the allocation of Phase #3B Assessments prior to and after subdivision.

Table IV-A
Phase #3B Parcel Subdivisions

Prior to Subdivision				After Subdivision						
Parcel	Projected Number of Units	Equivalent Units	Total PID Assessments	Parcel	Lot Type	Equivalent Unit per Lot Type	Number of Units	Total Equivalent Units	Assessment per Unit	Total PID Assessments
692364	139	92.66	\$2,546,153	Various	4 (50' Lot)	0.76	21	15.96	\$20,884	\$438,556
				Various	5 (40' Lot)	0.65	118	76.70	\$17,861	\$2,107,597
Total	139	92.66	\$2,546,153				139	92.66		\$2,546,153

B. PREPAYMENT OF ASSESSMENTS

Phase #1 Assessments for Parcel 662606 and Improvement Area #2 Assessments for 717668 have been prepaid in full as of July 31, 2020.

The complete Assessment Roll is available for review at the Town Hall, located at 100 W Eldorado Pkwy, Little Elm, Texas 75068.

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APPENDIX A
PID MAP

APPENDIX B
PREPAID PARCELS

APPENDIX B
LIST OF PREPAID PARCELS

Parcel ID	Prepayment Date	Amount	Full/Partial
662606	5/25/2018	\$31,554.88	Full
717668	12/13/2019	\$25,817.82	Full

APPENDIX C
ASSESSED VALUES

APPENDIX C
ASSESSED VALUE BY PHASE

Phase	Parcels	2020 Assessed Value
Total		

APPENDIX D-1
PHASE #1 ASSESSMENT ROLL SUMMARY – 2020-21

APPENDIX D-2
PHASE #1 TIRZ CREDIT CALCULATIONS – 2020-21

APPENDIX E-1
MAJOR IMPROVEMENT AREA ASSESSMENT ROLL SUMMARY – 2020-21

APPENDIX E-2
MAJOR IMPROVEMENT AREA TIRZ CREDIT CALCULATIONS – 2020-21

APPENDIX F-1
IMPROVEMENT AREA #2 ASSESSMENT ROLL SUMMARY – 2020-21

APPENDIX F-2
IMPROVEMENT AREA #2 TIRZ CREDIT CALCULATIONS – 2020-21

APPENDIX G

PHASE #3B LOCAL IMPROVEMENTS AMENDED ASSESSMENT ROLL SUMMARY – 2020-21



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. G.
Department: Development Services
Strategic Goal: Provide a safe and welcoming environment for Little Elm residents and visitors
Staff Contact: Wesley Brandon, Town Engineer

AGENDA ITEM:

Consider Action to Approve **Ordinance No. 1592 Establishing the FM 720 Speed Zone.**

DESCRIPTION:

The Texas Department of Transportation (TxDOT) conducted a speed zone study of FM 720 in the Town of Little Elm to determine if there has been a change in speed to the newly constructed section of FM 720 from Martop Road to US 380.

Martop Road to US 380 (Portions within Town limits only)

The TxDOT study showed 85th percentile speeds of 54 mph in the southbound direction and 52 mph in the northbound direction. The existing posted speed limit of 50 mph will be increased 5mph, making the new posted speed 55 mph for this section.

TxDOT believes the recommended speeds will closely correspond to the speeds at which the normal and prudent driver will drive under the existing conditions.

Based on the results of the new speed study, TxDOT is requesting the Town of Little Elm to adopt a new ordinance altering the prima facie speed for vehicles on Highway FM 720 to the speed limits detailed. TxDOT will furnish and install the necessary signs at the proper locations upon receipt of the signed ordinance from the Town establishing the new speed limit.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends Town Council approve Ordinance No. 1592 altering the prima facie speed limits established for vehicles under the provisions of Transportation Code, Section 545.356 upon State Highway No. FM 720 or parts thereof, within the incorporated limits of the Town of Little Elm, as set out in this Ordinance; and providing a penalty of a fine not to exceed \$200.00 for the violation thereof; repealing all ordinances in conflict herewith; providing a severability clause; providing for publication and effective date of this Ordinance.

Attachments

Ordinance No. 1592 - FM 720 Speed Zone

TxDOT Request Letter - FM 720 Speed Zone

Town of Little Elm

ORDINANCE NO. 1592

AN ORDINANCE ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF TRANSPORTATION CODE, SECTION 545.356 UPON STATE HIGHWAY NO. FM 720 OR PARTS THEREOF, WITHIN THE INCORPORATED LIMITS OF THE TOWN OF LITTLE ELM AS SET OUT IN THIS ORDINANCE; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING A PENALTY OF A FINE NOT TO EXCEED \$200.00 FOR THE VIOLATION THEREOF; PROVIDING SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, Section 545.356 of the Texas Transportation Code, provides that whenever the governing body of the Town shall determine upon the basis of an engineering and traffic investigation that any prima facie speed therein set forth is greater or less than is reasonable or safe under the conditions found to exist at any intersection or other place or upon any part of a street or highway within the Town, taking into consideration the width and condition of the pavement and other circumstances on such portion of said street or highway, as well as the usual traffic thereon, said governing body may determine and declare a reasonable and safe prima facie speed limit thereat or thereon by the passage of an ordinance, which shall be effective when appropriate signs giving notice thereof are erected at such intersection or other place or part of the street or highway;

WHEREAS, Upon the basis of an engineering and traffic investigation heretofore made as authorized by the provisions of Transportation Code, Section 545.356, the following prima facie speed limits hereafter indicated for vehicles are hereby determined and declared to be reasonable and safe; and such speed limits are hereby fixed at the rate of speed indicated for vehicles traveling upon the named streets and highways, or parts thereof, described as follows on attached Exhibit "A";

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

SECTION 1: That from and after the date of passage of this speed zone ordinance, no motor vehicle shall be operated along and upon Texas Highway No. 720 within the corporate limits of the Town of Little Elm in excess of speeds now set forth in Exhibit "A".

SECTION 2: The Mayor of Little Elm is hereby authorized to cause to be erected, appropriate signs indicating such speed zones.

SECTION 3: Any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not be exceed Two Hundred Dollars (\$200.00).

SECTION 4: All provisions of any ordinance in conflict herewith are hereby repealed insofar as it conflicts with this Ordinance, but not otherwise; provided, however, that any complaint, action, cause of action, or claim which prior to the effective date of this Ordinance has been initiated or has arisen under or pursuant to such ordinance (or portion thereof) which is in conflict herewith shall continue to be governed by the provisions of that ordinance and for the purpose such ordinance shall be deemed to remain and shall continue in full force and effect.

SECTION 5: Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Little Elm hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 6: This Ordinance shall be effective upon its passage and publication as required by law.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS ON THIS 19TH DAY OF JANUARY, 2021.

David Hillock, Mayor
Town of Little Elm, Texas

Attest:

Caitlan Biggs, Town Secretary

APPROVED AS TO FORM:

Robert Brown, Town Attorney



4777 EAST US HIGHWAY 80, MESQUITE, TEXAS 75150-6643 | 214-320-6100 | WWW.TXDOT.GOV

November 19, 2020

Control: 1567-01
Highway: FM 720
County: Denton

Wesley Brandon, PE, CFM
Town Engineer
100 W. Eldorado Parkway
Little Elm, TX 75068

Subject: Speed Zones

Dear Mr. Brandon:

Attached for your information and handling is a computer printout of the speed zone study on FM 720 in the Town of Little Elm (Lincoln Park). The speed zone study was done after the request from TxDOT, Denton Area Office to re-evaluate the speed for the section of FM 720 from US 380 to Martop Road. The printout shows that the recommended speeds correspond to the speeds at which the normal and prudent driver is driving under the existing conditions.

To proceed with the changing of the speed limits, TxDOT requires a signed city ordinance matching the zones on the speed study. To assist the City in the preparation of the ordinance, a sample speed zone ordinance has been attached to serve as a guide. Please forward the signed ordinance to our office by January 15, 2021 for further processing. Upon receipt of the ordinance from the Town of Little Elm, TxDOT will furnish and install the necessary signs at the proper locations. Should the City already have an ordinance on file that matches the limits shown on the study, please forward a copy of that to our office for our records.

If we may be of further assistance, please feel free to contact Bahman Afsheen, P.E. at the above address or by telephone at 214-320-6229.

Sincerely,

DocuSigned by:

Felicia R. Cortez, P.E.

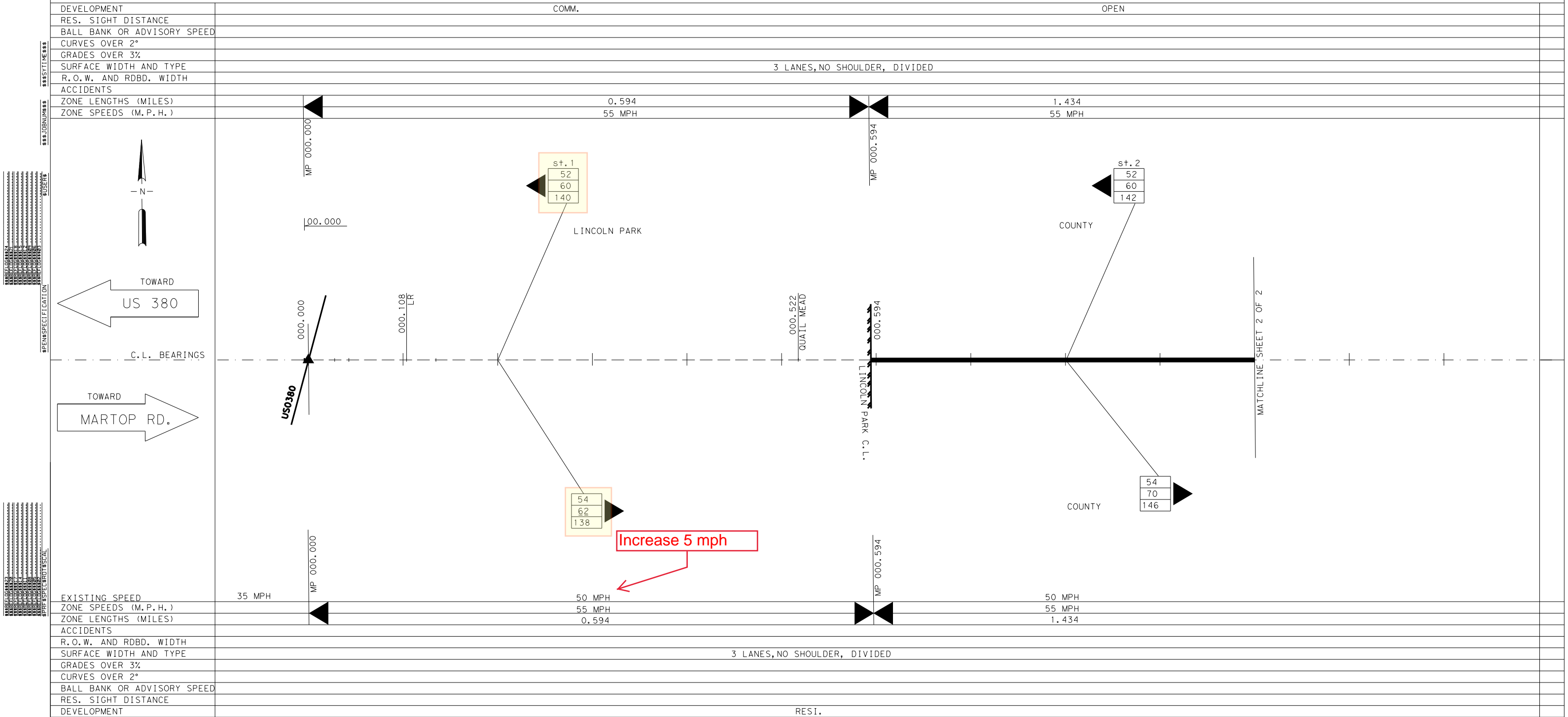
08FEC08CB22A430
Felicia R. Cortez, P.E.

District Traffic Engineering Supervisor

Attachments

cc: Traffic – Speed Zone Folder
Massey, Area Engineer
Blain/Cortez
J. Bush
TF

FM 720



DISTRICT: DALLAS	COUNTY: DENTON	MINUTE NO. : _____	DATE ____/____/____
HIGHWAY: FM 720	CITY: LINCOLN PARK	REPLACES : _____	DATE ____/____/____
DATE OF STUDY 10-12-2020	SCALE 1" = 0.1 MILES	REPLACED BY : _____	DATE ____/____/____
		CANCELLED BY : _____	DATE ____/____/____

LIMITS OF ZONE							
SECTION ONE				SECTION TWO			
LENGTH 1.434 MILES				LENGTH _____ MILES			
BEGINS	STA. OR M.P.	CONT. AND SECT.	PROJECT	BEGINS	STA. OR M.P.	CONT. AND SECT.	PROJECT
	0 + 00	-	()		+	-	()
	MP 0.594				MP		
ENDS	STA. OR M.P.	CONT. AND SECT.	PROJECT	ENDS	STA. OR M.P.	CONT. AND SECT.	PROJECT
	0 + 00	-	()		+	-	()
	MP 2.028				MP		

- 42

85 PERCENTILE SPEED
- 62

TOP SPEED MEASURED
- 125

NUMBER OF CARS CHECKED
- FATAL ACCIDENT
- PERSONAL INJURY ACCIDENT
- PROPERTY DAMAGE ACCIDENT
- INDICATES SECTION ZONED BY COMMISSION MINUTE
- SIGNALIZED INTERSECTION
- TRIAL RUN

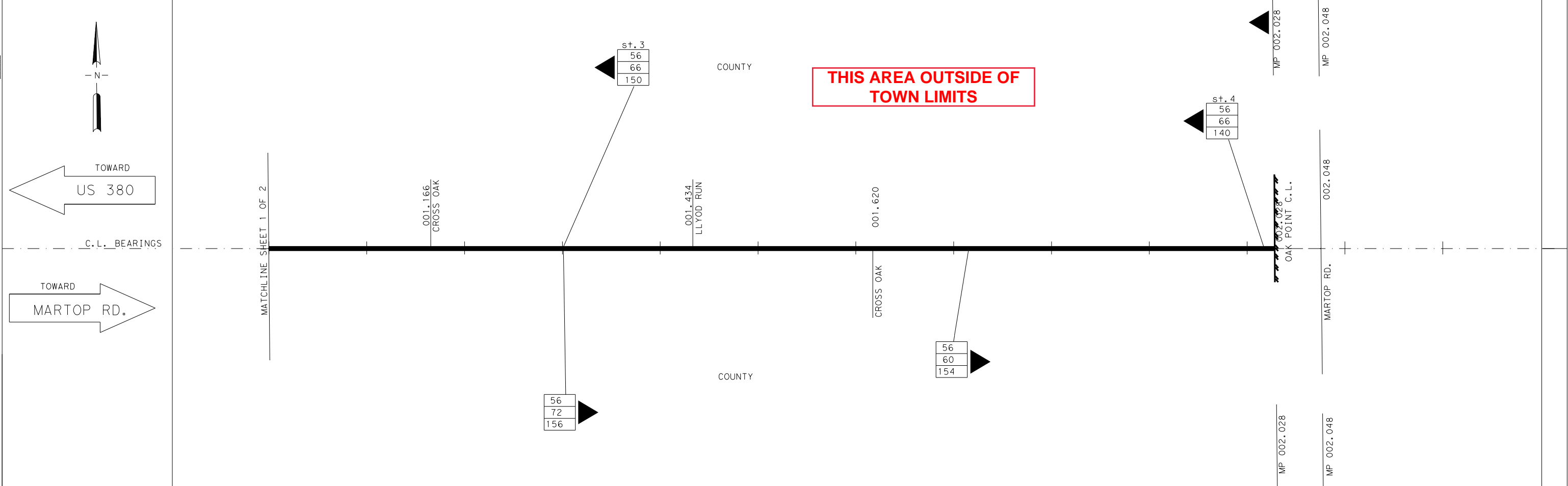
SPEED ZONE

CONT. 1567 SEC. 01
LIMITS: FROM US 380 TO MARTOP RD.

SHEET 1 OF 2			
Texas Department of Transportation			
SPEED STUDY DENTON COUNTY FM 720			
DESIGN TEAM	FED. RD. DIV. NO.	FEDERAL AID PROJECT NO.	SHEET NO.
	STATE	STATE DIST. NO.	COUNTY
CHECKED	CONTROL NO.	SECTION NO.	JOB NO. HIGHWAY NO.

FM 720

DEVELOPMENT	RESI.
RES. SIGHT DISTANCE	
BALL BANK OR ADVISORY SPEED	
CURVES OVER 2°	
GRADES OVER 3%	
SURFACE WIDTH AND TYPE	3 LANES,NO SHOULDER, DIVIDED
R.O.W. AND RDBD. WIDTH	
ACCIDENTS	
ZONE LENGTHS (MILES)	1.434
ZONE SPEEDS (M.P.H.)	55 MPH



EXISTING SPEED	50 MPH
ZONE SPEEDS (M.P.H.)	55 MPH
ZONE LENGTHS (MILES)	1.434
ACCIDENTS	
R.O.W. AND RDBD. WIDTH	
SURFACE WIDTH AND TYPE	3 LANES,NO SHOULDER, DIVIDED
GRADES OVER 3%	
CURVES OVER 2°	
BALL BANK OR ADVISORY SPEED	
RES. SIGHT DISTANCE	
DEVELOPMENT	RESI.

DISTRICT: DALLAS	COUNTY: DENTON	MINUTE NO. : _____	DATE ____/____/____
HIGHWAY: FM 720	CITY: OAK POINT	REPLACES : _____	DATE ____/____/____
DATE OF STUDY 10-12-2020	SCALE 1" = 0.1 MILES	REPLACED BY : _____	DATE ____/____/____
		CANCELLED BY : _____	DATE ____/____/____
LIMITS OF ZONE			
SECTION ONE		SECTION TWO	
BEGINS	STA. OR M.P. CONT. AND SECT. PROJECT	BEGINS	STA. OR M.P. CONT. AND SECT. PROJECT
ENDS	STA. OR M.P. CONT. AND SECT. PROJECT	ENDS	STA. OR M.P. CONT. AND SECT. PROJECT

- 42 85 PERCENTILE SPEED
- 62 TOP SPEED MEASURED
- 125 NUMBER OF CARS CHECKED
- FATAL ACCIDENT
- PERSONAL INJURY ACCIDENT
- PROPERTY DAMAGE ACCIDENT
- INDICATES SECTION ZONED BY COMMISSION MINUTE
- SIGNALIZED INTERSECTION
- TRIAL RUN

SPEED ZONE
CONT. 1567 SEC. 01
LIMITS: FROM US 380 TO MARTOP RD.

DESIGN TEAM				FED. NO. DIV. NO.	FEDERAL AID PROJECT NO.		SHEET NO.	
				STATE	STATE DIST. NO.	COUNTY		
CHECKED				CONTROL NO.	SECTION NO.	JOB NO.	HIGHWAY NO.	

SPEED STUDY
DENTON COUNTY
FM 720

Texas Department of Transportation



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. H.
Department: Development Services
Strategic Goal: Maximize community recreation and leisure activities
Staff Contact: Wesley Brandon, Town Engineer

AGENDA ITEM:

Consider Action to Approve **Resolution No. 0119202101 Supporting the Highway 380 Municipal Management District No.1 Application for the Texas Parks and Wildlife Department's Recreational Trails Grant Program to Request Funding to Construct New Recreational Trails in the Union Park Community Located in Little Elm, Texas.**

DESCRIPTION:

The Highway 380 Municipal Management District No. 1 (the developer of Union Park) has developed a Trails Master Plan that includes various paved and natural-surface trail features throughout the development. Many of these trails are eligible for grant funding that can be utilized to cover the design and construction costs required to build them. The developer is currently seeking funding through the Texas Parks and Wildlife Recreational Trail Program and has requested a resolution of support from the Town in order to improve their chances of receiving funding.

BUDGET IMPACT:

There is no budget impact for this item. All funding related to this request will be provided by the developer.

RECOMMENDED ACTION:

Staff recommends Council adopt Resolution No. 0119202101 supporting the Highway 380 Municipal Management District No.1 application for the Texas Parks and Wildlife Department's Recreational Trails Grant Program to request funding to construct new recreational trails in the Union Park community located in Little Elm, Texas.

Resolution No. 0119202101 - Support for Union Park Trail Grant
Map - Union Park Trails Master Plan

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 0119202101

A RESOLUTION BY THE TOWN OF LITTLE ELM SUPPORTING THE HIGHWAY 380 MUNICIPAL MANAGEMENT DISTRICT NO.1 APPLICATION FOR THE TEXAS PARKS AND WILDLIFE DEPARTMENT'S RECREATIONAL TRAILS GRANT PROGRAM TO REQUEST FUNDING TO CONSTRUCT NEW RECREATIONAL TRAILS IN THE UNION PARK COMMUNITY LOCATED IN LITTLE ELM, TEXAS

WHEREAS, Union Park is in the Highway 380 Municipal Management District No. 1 which is located within the service area of the Town of Little Elm; and

WHEREAS, the Town of Little Elm provides trash and recycling collection, police, fire, and emergency services to Union Park; and

WHEREAS, the Town of Little Elm supports the application submitted by the Highway 380 Municipal Management District No. 1 for the Texas Parks and Wildlife Department's Recreational Trails Grant Program for funding to construct new recreational trails in the Union Park community.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

SECTION 1

The Town of Little Elm officially supports the application submitted by the Highway 380 Municipal Management District No. 1 to the Texas Parks and Wildlife Department for the Recreational Trails Grant Program to request funding to construct new recreational trails in the Union Park community.

PASSED AND APPROVED this Tuesday, January 19th, 2021.

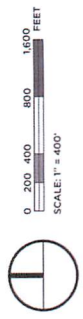
David Hillock
Mayor

ATTEST:

Caitlan Biggs, Town Secretary



UNION PARK Trails Master Plan





Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. I.
Department: Economic Development Corporation
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Consider Action to Approve a **Ground Lease Purchase Agreement for Certain Multi-Family Property in Little Elm, Denton County, Texas.**

DESCRIPTION:

This agreement is between the Little Elm Economic Development Corporation (Landlord) and Village at Lakefront, LLC (Ground Lessee)

ChadNic purchased the development from Palladium/NE on December 29th and has requested that we split the retail and multifamily agreement into two separate agreements. The purpose of this request is to enable the developer to secure separate loans for refinancing. The Multifamily portion will now reflect 6.4 acres.

BUDGET IMPACT:

Lease amount and terms remain the same as the original agreement: Rent remains at \$69,696.00 annually of which payments started 12 months after the C.O. was obtained December 5, 2017. Option for "eligible to purchase" is applicable the 8th lease year after obtaining their CO for the amount of \$1,115,000.00.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Ground Lease Purchase Agreement - Multi-Family Village at the Lakefront

**GROUND LEASE PURCHASE AGREEMENT
FOR CERTAIN MULTI-FAMILY PROPERTY IN LITTLE ELM, DENTON COUNTY,
TEXAS**

THIS GROUND LEASE PURCHASE AGREEMENT (this “Agreement”) is made and entered into on the ____ day of _____, 2021 (the “Effective Date”) by and between **LITTLE ELM ECONOMIC DEVELOPMENT CORPORATION**, a Texas non-profit corporation, having its principal address as 100 W. Eldorado Parkway, Little Elm, Texas 75068-5060 (“Landlord” or “Little Elm EDC”), and **VILLAGE AT LAKEFRONT, LLC**, a Texas limited liability company, or its permitted assigns (“Ground Lessee” or “Village at Lakefront”). This Agreement, together with the “Ground Lease Purchase Agreement for Certain Retail Property in Little Elm, Denton County, Texas, dated the same date as this Agreement and made by and between Little Elm EDC and Village at Lakefront (the “Retail Agreement”) together amend and replace the Ground Lease Purchase Agreement dated August 12, 2013, between Little Elm Economic Development Corporation and Palladium USA International, Inc. as amended, and shall take effect only upon execution of both this Agreement and the Retail Agreement.

WITNESSETH:

Subject to the terms, provisions and conditions of this Agreement, and each in consideration of the duties, covenants and obligations of the other hereunder, Landlord does hereby lease, demise, and let the Premises (as hereinafter defined) unto Ground Lessee, and Ground Lessee does hereby lease the Premises from Landlord.

ARTICLE I

CERTAIN DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings respectively indicated:

- 1.1 “**Additional Rent**” is defined in **Section 3.3** of this Agreement.
- 1.2 “**Affiliate**” means: (i) any entity controlled by, controlling or under joint control with an entity or any of the entity’s partners, shareholders or their affiliates; (ii) any entity which is owned in whole or in part, directly or indirectly, by an entity or any of the entity’s partners, shareholders or affiliates, or any entity which is otherwise affiliated with or related to an entity or any of the entity’s partners or shareholders; (iii) any entity which is the successor by merger or otherwise to all or substantially all of an entity’s assets used in connection with the Premises and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iv) any entity to whom an entity or an Affiliate [per clauses (i) through (iii)] provides development, management, operational, financing and/or leasing services in connection with a project on the Land.

1.3 “**Annual Base Rent**” means an amount for each full Lease Year of the Term determined and paid as follows:

- (i) For the first five (5) years of the Term of the Lease, the Multifamily Development (as defined below), commencing on the Commencement Date, an amount equal to Sixty-Nine Thousand Six Hundred Ninety-Six and no/100 Dollars (\$69,696.00) annually and paid in equal monthly installments of Five Thousand Eight Hundred Eight and no/100 Dollars (\$5,808.00) on the 1st day of each month.
- (ii) Commencing with the sixth (6th) Lease Year and on every fifth (5th) Lease Year thereafter (i.e., 11th, 16th, 21st, etc.), the Annual Rent shall be adjusted, if any, in direct proportion to the increase upon the formula set out below, based on the immediately preceding five (5) Lease Years. Each of the dates on which the Annual Rent is adjusted shall be referred to as an “Adjustment Date.” The adjustment shall be calculated as follows:

For the sixth (6th) through tenth (10th) Lease Years, as to the Multifamily Development alone, the Annual Rent adjustment shall be calculated as the percentage increase in average annual Total Income of the Ground Lessee for such development during the first five (5) year period, over the annualized Total Income calculated in the month the Multifamily Development achieves physical occupancy of at least ninety percent (90%). For the eleventh (11th) through fifteenth (15th) Lease Years, and thereafter after each five (5) year period, escalations, if any shall be calculated as the percentage increase in average annual Total Income of the Ground Lessee for such development during the most recent five (5) year period, over the preceding five (5) year base annual Total Income.

A rental adjustment called for in this section shall never result in a reduction of the Annual Rent from that paid immediately prior to the Adjustment Date.

- 1.4 “**Award**” is defined in **Section 18.1(a)** of this Agreement.
- 1.5 “**Business Days**” means any day other than a Saturday, Sunday or other day on which national banks are required or authorized to be open for business in Dallas, Texas.
- 1.6 “**Commencement Date**” means December 5, 2017, the date the first certificate of occupancy for the Multifamily Development was obtained.
- 1.7 “**Date of Taking**” is defined in **Section 18.1(b)** of this Agreement.
- 1.8 “**Default Rate**” is defined in **Section 3.2** of this Agreement.
- 1.9 “**Effective Date**” shall mean the date specified in the first sentence of this Agreement.

Initial for Identification:

Little Elm EDC

43

Village at Lakefront

- 1.10 “**Event of Default**” means any event or condition designated as an “Event of Default” in **Article XIV** of this Agreement.
- 1.11 “**Hazardous Substances**” is defined in **Section 9.1** of this Agreement.
- 1.12 “**Impositions**” is defined in **Section 8.1(a)** of this Agreement.
- 1.13 “**Imposition Commencement Date**” is defined in **Section 8.1(a)** of this Agreement.
- 1.14 “**Improvements**” means any improvements hereafter developed on the Land by Ground Lessee, or otherwise as authorized by Ground Lessee.
- 1.15 “**Indemnified Parties**” is defined in **Article VII** of this Agreement.
- 1.16 “**Land**” means the approximate 6.4 acres allocated to the multifamily portion of the site, a legal description and/or depiction is attached hereto as **Exhibit A**, and including the following:
- (i) All and singular the rights and appurtenances pertaining to the Land and future Improvements, including, without limitation, all right, title and interest of Landlord in and to adjacent or appurtenant streets, roads, alleys, easements and rights-of-way, open or proposed, and all awards made or to be made in connection therewith (collectively, the “**Appurtenances**”);
 - (ii) If and to the extent the same would not comprise and be considered a part of the Appurtenances described above, all mineral rights, water rights, wastewater rights, utility rights and development rights associated with, or appurtenant to or otherwise allocable to, the Land and/or future Improvements;
 - (iii) All site plans, surveys, soil and substrata studies, water studies, environmental studies or audits, physical inspection reports, asbestos assessments, remedial plans, architectural renderings, plans and specifications, engineering plans and studies, floor plans, landscape plans and other plans diagrams or studies of any kind which relate, in whole or in part, to the Land and the future contemplated Improvements, together with any copyrights thereto; and
 - (iv) All rights, interest, privileges, appurtenances and properties in any way related to the properties described above.

Once the Survey has been obtained and approved by Landlord pursuant to **Section 4.2(b)**, Ground Lessee has the right to substitute the property description contained in the Survey for the property description contained in **Exhibit A**. If any re-subdivision plan(s) of the Land is (are) approved and filed with the Denton County Clerk’s office, Ground Lessee may substitute the platted lots per such approved and recorded subdivision plat(s) for the property description contained in **Exhibit A**.

Initial for Identification:

Little Elm EDC



Village at Lakefront

- 1.17 “**Lease Year**” means a period of twelve (12) months, with the first Lease Year beginning on the Commencement Date and for each subsequent Lease Year, each period of twelve (12) full calendar months thereafter.
- 1.18 “**Monthly Rent**” is as outlined in **Section 1.3 (i) and (ii)** of this Agreement.
- 1.19 “**Person**” means an individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.
- 1.20 “**Pre-Existing Conditions**” is defined in **Section 9.2** of this Agreement.
- 1.21 “**Premises**” means the Land and any and all buildings, utility facilities, drainage facilities, infrastructure, roads, driveways, curbs, paving, landscaping, signage, entrances, exits, surface parking and other improvements that may currently exist or hereafter be installed on the Land.
- 1.22 “**Prime Rate**” means the rate of interest being charged on the date in question by the Wall Street Journal (or its legal successor) as the “prime rate”.
- 1.23 “**Rent**” herein includes all Annual Base Rent and Additional Rent.
- 1.24 “**Taking**” is defined in **Section 18.1(c)** of this Agreement.
- 1.25 “**Term**” is defined in **Section 2.2** of this Agreement.
- 1.26 “**Transfer**” means any conveyance, transfer, sale, assignment, sublease, Mortgage, pledge, encumbrance or the like, to any Person.
- 1.27 “**Transferee**” means any Person to whom a Transfer is made.
- 1.28 “**Unqualified Transferee**” means and refers to any Person:
- (i) Who is listed on a list of terrorists or terrorist organizations published by the United States government (e.g., the United States Secretary of State’s list of Foreign Terrorist Organizations), as the same are amended and supplemented from time to time;
 - (ii) Who has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001), or any similar prohibitions contained in the rules and regulations of the Office of Foreign Assets Control, as the same are promulgated and amended from time to time; or

Initial for Identification:

Little Elm EDC


Village at Lakefront

- (iii) Who has been indicted for any offense involving terrorism under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (as it may be amended from time to time, the "USA Patriot Act"), including any Person who commits any crime of conspiracy to commit, or aiding and abetting another Person to commit, a USA Patriot Act offense.

Notwithstanding the foregoing, "Unqualified Transferee" shall not include any Person who:

- (a) Is determined by Ground Lessee, in good faith and upon reasonable inquiry, not to be a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**; and
- (b) Certifies to Landlord and Ground Lessee in writing that such Person is not a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**.

In addition, in no event shall any Institutional Investor (as immediately hereinafter defined) be deemed to be an "Unqualified Transferee." As used herein, the term "Institutional Investor" means and refers to any of the following entities and/or their Affiliates: state and/or Federally chartered lending institutions, life insurance companies who are regularly engaged in the making of permanent real estate loans and/or in the acquisition, holding and/or disposition of commercial real estate development projects, real estate investment trusts (i.e. "REIT's"), pension, annuity and/or investment funds (or trustees or managers of such funds), any publicly traded company, and any branch or instrumentality of any one or more of (1) the United States of America, (2) any state comprising the United States of America, or (3) any city or municipality within any such states described in (2) preceding.

ARTICLE II

COMMENCEMENT AND TERM

- 2.1 **Option Payment.** On or before the Effective Date, Ground Lessee shall pay to Landlord a non-refundable payment in the sum of One Hundred Dollars (\$100.00) (such payment referred to herein as the "**Option Payment**").
- 2.2 **Term of Agreement.** The term of the Agreement (the "Term") shall commence on the Effective Date and shall terminate fifty (50) Lease Years after the Commencement Date for the Multifamily Development. This Agreement will terminate without further notice when the Term specified in this **Section 2.2** expires and any holding over by Ground Lessee after the Term expires will not constitute a renewal of this Agreement or give Ground Lessee any rights under the Agreement in or to the Premises. In connection therewith, Ground Lessee shall have the right at Ground Lessee's expense, to examine and copy all books, records, files, documents, reports, and other information of the Landlord relating to the Premises, including all leases, service agreements, insurance policies, and construction

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and maintenance related documents; provided that such examination and copying shall not interfere with the Landlord's business operations.


ARTICLE III

RENT

- 3.1 **Annual Base Rent.** For each Lease Year of the Term of this Agreement from and after the Commencement Date, Ground Lessee agrees to pay the applicable Annual Base Rent as herein provided, in lawful money of the United States of America, without deduction, offset prior notice or demand, except as herein provided and except as provided by applicable law, and at such place or places as Landlord may from time to time designate. For each twelve (12) month Lease Year (except for the first Lease Year), Ground Lessee shall pay such rent in monthly installments (hereinafter referred to as "**Monthly Rent**") in advance on or before the first (1st) day of each month in an amount equal to one-twelfth (1/12) of the applicable Annual Rent.
- 3.2 **Late Charge.** In the event that Ground Lessee shall fail to pay any portion of any installment of Monthly Rent on the date which is ten (10) days after the day on which such installment is due, there shall be added to such unpaid amount a late charge of ten percent (10%) of the amount owed, in order to compensate Landlord for the extra administrative expenses incurred. In addition, from and after the date which is thirty (30) days after the due date the total amount then due shall bear interest at the annual rate (the "**Default Rate**") which is the Prime Rate, until paid.
- 3.3 **Additional Rent.** All ad valorem taxes, insurance premiums, utility costs and all other sums, liabilities, obligations and other amounts which Ground Lessee is required to pay or discharge pursuant to this Agreement, in addition to Annual Base Rent, together with any interest, penalty, or other sum which may be added for late payment thereof, shall constitute rent hereunder ("Additional Rent"). So long as no Event of Default then exists hereunder, Ground Lessee may pay Additional Rent directly to the person entitled thereto, provided that, Ground Lessee shall provide Landlord with written proof of such direct payment within ten (10) days of such payment.
- 3.4 **Place and Manner of Payment.** Subject to the further provisions hereof, the rent hereunder shall be payable to Landlord at the original or changed address of Landlord set forth in **Section 20.1** hereof or to such other person at such address as Landlord may designate from time to time in writing. In addition to other proper methods of payment, all payments of rent and other sums payable to Landlord by Ground Lessee under this Agreement may be made, and shall be deemed to have been properly made so long as actually received by Landlord, by the delivery to Landlord of Ground Lessee's check, draft or wire transfer in the amount of such payment.
- 3.5 **Payments to Assignees and Third Parties.** If Landlord's interest in this Agreement shall be assigned to a third party or if any sum accrued or to accrue hereunder shall ever be

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assigned or if any third party other than Landlord shall ever be entitled to collect such sum, then in any such event written notice shall be given by Landlord to Ground Lessee within thirty (30) days after such assignment.

- (a) If and when Landlord's interest in this Agreement shall be owned by more than one person, firm, corporation or entity, such parties shall arrange among themselves for the joint execution of a notice specifying one party or agents and an address therefor for the receipt of notices to Landlord under this Agreement and to which all payments to Landlord under this Agreement shall be made, and notices delivered and payments made by Ground Lessee in accordance with such jointly executed notice shall constitute notice and payment to all parties included within the term "**Landlord**". Landlord understands that rent payments shall be made to one party as agent for any multiple parties and such will fulfill Ground Lessee's responsibilities for payments hereunder.
- (b) In the event that there is any dispute as to who shall be entitled to receive any sum payment hereunder, Ground Lessee shall, at its option, have the right to pay such sum into the registry of any court of competent jurisdiction located in Denton County, Texas, in connection with a bill of interpleader or similar proceeding filed by Ground Lessee, naming Landlord and such other claimants as parties. The making of such payment in connection with the filing of such proceeding shall discharge Ground Lessee from any further obligation for payment of the installment or rent so paid or deposited and Landlord and such other claimants shall be responsible for all costs of Ground Lessee in such regard, including attorney's fees.
- (c) In the event Landlord shall have given Ground Lessee notice that a third party is entitled to receive payment of any sum and if Ground Lessee thereafter timely pays such sum to the third party named in such notice, such payment to the third party named in the notice shall fully discharge Ground Lessee of any further obligation for such sum.

ARTICLE IV

DELIVERY OF THE PREMISES

- 4.1 **Delivery of the Premises.** Except as otherwise provided in this Agreement, Ground Lessee hereby accepts the Premises from Landlord in its "AS IS", "WHERE IS" condition without any representation or warranty by Landlord and with all faults. The execution of this Agreement by Ground Lessee shall be prima facie evidence that Ground Lessee has inspected the Premises and is or will be thoroughly familiar with its condition, and Ground Lessee hereby accepts the Premises as being in good and satisfactory condition, and suitable for Ground Lessee's intended purpose. THE PROVISIONS OF THIS ARTICLE IV HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION BY LANDLORD OF, AND GROUND LESSEE DOES HEREBY DISCLAIM, ANY AND ALL WARRANTIES BY LANDLORD, EXPRESS

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OR IMPLIED, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANOTHER LAW NOW OR HEREAFTER IN EFFECT OR OTHERWISE SPECIFICALLY PROVIDED HEREIN.


4.2 **Deliveries to Ground Lessee.**

- (a) Within ten (10) days after the Effective Date, Landlord will deliver to Ground Lessee true and correct copies of any contracts that affect or bind the Premises and any and all topographical maps, engineering studies, environmental reports and studies, soils reports, traffic studies and other similar materials, reports and studies that are in Landlord's possession or control. Furthermore, if requested by Ground Lessee, Landlord shall make a good faith effort to obtain an estoppel letter from each of the Ground Lessees under the Existing Leases, if any, which shall be in a form provided by Ground Lessee. Except as otherwise required by law, all information delivered by Landlord to Ground Lessee pursuant to this **Section 4.2(a)** shall be kept confidential, except that Ground Lessee may disclose such information to Ground Lessee's partners, lenders, officers, lawyers, accountants and employees to the extent necessary to evaluate the Premises.
- (b) Within thirty (30) days after the Effective Date, Landlord will deliver to Ground Lessee, at Ground Lessee's cost, for Ground Lessee's review and approval (i) a current on-the-ground metes and bounds survey of the Property (the "Survey"), and (ii) a commitment (the "**Title Commitment**") for a leasehold policy of title insurance from Chicago Title Company, 14755 Preston Road, Attn: Becky Brusilow, Dallas, Texas 75254 (the "**Title Company**"). At the expense of the Ground Lessee, Landlord will cause the Title Company to issue to Ground Lessee a leasehold policy in an amount of at least One Million Three Hundred Seventy-Two Thousand Eight Hundred Seventy-Five Dollars (\$1,372,875.00) effective as of the Commencement Date. Upon approval of the Survey by Ground Lessee and Landlord, the description of the Land contained in the Survey shall replace the property description currently listed on **Exhibit A**. Notwithstanding anything to the contrary contained herein, Landlord shall have an affirmative obligation to cure any of the following title matters within ninety (90) days of the Effective Date: (i) monetary obligations such as mortgages, liens, etc., and (ii) any encumbrances placed upon the Land by (or at the direction of) Landlord subsequent to the Effective Date of this Agreement.
- (c) Within ten (10) days after the Effective Date, Landlord will deliver to Ground Lessee for Ground Lessee's review and approval copies of any notices from any entity relating to relocation of the utilities serving the Premises.

4.3 **Zoning, Easements and Dedications.** From time to time throughout the Term of this Agreement, Landlord shall, upon the reasonable request of Ground Lessee, execute such consents, authorizations, applications, site plans, plats, requests, dedications, easements and other documents and instruments as may be necessary or desirable in connection

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with Ground Lessee's development of the Premises, including, without limitation, zoning applications, utility easements, street dedications and closure instruments, site plans and platting instruments; provided, however, the Land shall not be rezoned to any classification other than such zoning classification(s) that permits the development and use of the 6.4 acres of the Premises for multifamily development of at least 239 units without the prior written consent of Landlord. Ground Lessee shall bear all expenses with respect to the matters described in this **Section 4.3** (including application fees, design and consultant costs and fiscal postings), except for the expenses of professionals engaged by Landlord, if any.

- 4.4 **Restrictions.** At the written request of Ground Lessee, Landlord shall, from time to time, execute and deliver or join in the execution and delivery of such documents as Ground Lessee reasonably considers appropriate, necessary or required to impose on the Premises or release the Premises from, as the case may be, such covenants, conditions and restrictions providing for, inter alia, exclusive uses of the Premises, or any part thereof, the establishment of common and parking areas, the establishment of mutual and reciprocal parking rights and the rights of ingress and egress, and other like matters, for the purpose of the orderly development of the Premises, but only so long as such covenants, conditions or restrictions terminate upon the expiration or termination of this Agreement.
- 4.5 **Refusal to Join.** Landlord shall not unreasonably fail or refuse to take any action required or contemplated pursuant to **Section 4.3** or **Section 4.4**. If Landlord unreasonably fails to execute and return to Ground Lessee any documents or to take action required by **Section 4.3** or **Section 4.4** within thirty (30) days of delivery to Landlord of such document or written request for such action, Landlord shall be in breach of this Agreement, whereupon Ground Lessee shall be entitled to exercise any and all remedies allowed to Ground Lessee by law or equity by reason of such failure, including, without limitation, Ground Lessee may recover from Landlord any actual damages suffered by Ground Lessee as a result of such breach. Notwithstanding the provisions of **Section 20.1**, a written request to Landlord to approve or execute a document imposing covenants, conditions or restrictions against the Premises shall not be deemed delivered until (a) the written request is actually received by an officer of Landlord, and (b) such officer or authorized signatory confirms such receipt in writing (or confirmation of receipt is provided by a third party). The Landlord will act in good faith with respect to the receipt of requests.
- 4.6 **Transfer at Termination.** At the termination of this Lease, except for a termination related to the exercise of Ground Lessee's Option to Purchase according to the provisions of **Section 4.8**, Improvements on the Premises shall automatically become the property of Landlord and Ground Lessee shall have no further interest in such Improvements.
- 4.7 **Sale of Land or Assignment of Landlord's Interest in Lease.** Before Landlord has entered into an agreement regarding the sale of all or any portion of the Land or assignment of all or any portion of the Landlord's interest in the Lease, and in any event

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prior to any such proposed sale or assignment to a third party that is not an Affiliate of Landlord, Landlord shall give notice to the Ground Lessee of the terms of the proposed sale or assignment (“**Notice of Sale**”) and Ground Lessee shall have an option to purchase the Property on the terms set out in the Purchase Option in **Section 4.8** below, regardless of the price offered by a prospective purchaser or assignee, and regardless of the time restriction in **Section 4.8**. If Ground Lessee does not exercise its option to purchase within fifteen (15) days after delivery of the Notice of Sale, Landlord shall be free to sell the Land or assign landlord’s interest in the Lease on the terms set out in the Notice of Sale, without any requirement of consent on the part of Ground Lessee, but subject to the terms and conditions of this Lease, including Ground Lessee’s option to purchase the Land in accordance with **Section 4.8** below.

4.8 **Ground Lessee’s Option to Purchase.** At any time during the Term of this Agreement if triggered by a Notice of Sale received from Landlord, or, after the first eight (8) Lease Years (the “Lockout Period”) at Ground Lessee’s sole option, Ground Lessee or its successor may, at its option, give written notice to Landlord that Ground Lessee will purchase the Land from Landlord for the price of One Million One Hundred Fifteen Thousand and 00/100 Dollars (\$1,115,000.00), by submitting a real estate sale contract(s) to Landlord containing the usual provisions set forth in the standard State Bar of Texas Real Estate Sale Contract form, including the obligation of Landlord to furnish an Owner’s Title Policy at Closing at Landlord’s expense but expressly excluding any warranty or representation regarding the Premises or Land except the warranty of title. Ground Lessee shall agree to close such purchase within thirty (30) days of the full execution of said contract. Any Base Rent payments made from the time the notice of exercise of the option to purchase is delivered, until the Closing of the acquisition, shall be credited to the purchase price.

4.9 **Release of Landlord.** If Landlord sells or transfers all or part of the Premises and as part of the transaction assigns its interest as Landlord in this Lease, then as of the effective date of the sale, assignment, or transfer, Landlord will have no further liability under this Lease to Ground Lessee, except with respect to liability matters that have accrued and are unsatisfied as of that date. Underlying this release is the parties’ intent that Landlord’s covenants and obligations under this Lease will bind Landlord and its successors and assigns only during and in respect of their respective successive periods of ownership of the fee, provided that Landlord, in such event, complies with the provisions of **Section 4.7** and **Section 4.8** above.

ARTICLE V

INDEPENDENT COVENANTS

It is the intention of the parties hereto that the obligations of Ground Lessee hereunder shall be separate and independent covenants and agreements, that the Annual Base Rent and all other sums payable by Ground Lessee hereunder shall continue to be payable in all events and

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that the obligations of Ground Lessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall have been abated, terminated, or modified pursuant to a provision of the Lease.

ARTICLE VI

USE

- 6.1 **Permitted Uses.** The Premises may be used and occupied by Ground Lessee (and its permitted assignees and sub-ground Lessees) for any lawful use or purpose within the zoning requirements for such Land, excluding the following uses: body art or tattoo establishment; retail tobacco store; gaming establishment; sexually oriented business; and full service sit-down restaurant use for the retail/commercial building to be located on the Land.
- 6.2 **Compliance with Laws, etc.** Ground Lessee shall, at Ground Lessee's sole cost and expense, comply with all federal, state, county and municipal laws, ordinances, orders, rule and regulations applicable to the use, condition, structure or occupancy of the Premises. Ground Lessee may not use all or any part of the Premises or any building situated on them for any use or purpose that violates any valid and applicable law, regulation, or ordinance of the United States, the State of Texas, the County of Denton, the Town of Little Elm, or other lawful authority with jurisdiction over the Premises. Ground Lessee is not considered to have violated this provision unless:
- a. Landlord has notified Ground Lessee in a writing specifying the alleged violation;
 - b. There has been a final adjudication by a court of competent jurisdiction that the Ground Lessee has violated the law, regulation, or ordinance specified in the notice;
 - c. The specified law, regulation, or ordinance is valid and applies to the premises; and
 - d. Ground Lessee failed to cure the specified violation within a reasonable period of time.

ARTICLE VII

INDEMNITY

Ground Lessee shall indemnify, protect and save Landlord, its successors and assigns, shareholders, trustees, directors, employees, and officers ("**Indemnified Parties**"), harmless from and against, and shall reimburse such parties for all liabilities, obligations, losses, claims, damages, penalties, costs, charges, judgments and expenses including without limitation, reasonable attorneys' fees and expenses which may be imposed upon or incurred or

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paid by or asserted against such Indemnified Parties by reason of or in connection with any of the following occurring during the Term of this Agreement (except to the extent caused by the negligence or misconduct of such Indemnified Parties):

- (a) any accident, injury, death or damage to any person or property occurring in, on or about the Premises;
- (b) all construction and any changes, alterations, repairs and anything done in, on or about the Premises or any part thereof in connection with such changes, alterations and repairs;
- (c) any negligent act on the part of Ground Lessee or any of its agents, contractors, servants, employees, sub-Ground Lessees, licenses or invitees;
- (d) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof; or
- (e) the condition of the Premises, or of any buildings or other structures now or hereafter situated thereon, or the fixtures or personal property thereon or therein.

ARTICLE VIII


IMPOSITIONS, UTILITIES, MAINTENANCE, CONSTRUCTION

8.1 Impositions.

- (a) Subject to Ground Lessee's right to contest such charges pursuant to **Section 8.1 (c)** below, from and after the Commencement Date (hereinafter referred to as the "**Imposition Commencement Date**"), Ground Lessee shall pay all real estate taxes, assessments for local improvements, water, and storm and sanitary sewer rates and charges (other than ordinary charges for utility services as provided in **Section 8.2**), licenses and permit fees, and other governmental levies and charges, which are assessed, levied, confirmed, imposed, or become a lien upon the Premises (or any portion thereof), or become payable during the Term of this Agreement (the "**Impositions**"), payment thereof to be made before any fine, penalty, interest, or cost may be added thereto for the nonpayment thereof; provided, however, that any Imposition relating to a fiscal period of the taxing authority a portion of which is included within the Term hereof and a portion of which is included in a period of time before the Imposition Commencement Date or after the expiration of the Term (for reasons other than Ground Lessee's default hereunder) shall be adjusted between Landlord and Ground Lessee as of the date for payment of Impositions occurring during the first Lease Year or such expiration date, as applicable. If Ground Lessee does not timely pay such Impositions (or contest such payment pursuant to **Section 8.1 (c)** below) Landlord may pay the same and such amount so paid shall be due and payable to Landlord as Additional

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Rent upon written demand therefor by Landlord. Ground Lessee shall provide Landlord with written evidence of its payment of any Impositions within fifteen (15) days after request from Landlord.

- (b) Nothing hereinabove contained shall require Ground Lessee to pay any franchise, estate, inheritance, succession, capital levy, stamp levy, stamp tax, margin tax, or transfer tax of Landlord or any income, excess profits, or revenue tax, or any other tax, assessment, charge, or levy based on or measured by the gross income or capital stock of Landlord or upon any rental payable by Ground Lessee under this Agreement. To the extent received by Landlord, Landlord covenants to forward promptly to Ground Lessee any and all notices or statements relating to taxes, assessments, fees, water, sewer, or other rent rate or charge, excise, levy license fee, permit fee, inspection fee, or other authorization fee. Ground Lessee shall furnish to Landlord copies of receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Landlord evidencing payment of the Impositions before any fine, penalty, interest or cost may be added thereto for nonpayment thereof. The certificate, advice or bill of nonpayment of any Imposition from the appropriate official designated by law to make or issue the same or to receive payment of any Imposition shall be prima facie evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificate, advice, or bill of nonpayment.
- (c) So long as there is then no uncured default hereunder, Ground Lessee may contest the collection or assessment of any Imposition, tax, assessment, fee, water or sewer charge or rate, excise, or levy by legal proceedings or other appropriate action. If Ground Lessee so elects to contest such amounts, Ground Lessee shall, prior to the prosecution or defense of any such claim, notify Landlord in writing of its decision to pursue such contest and, to the extent procedurally required, Ground Lessee shall pay the amount in question prior to initiating the contest or otherwise shall provide adequate security to Landlord prior to initiating the contest.

8.2 **Utilities.** From and after the Commencement Date, Ground Lessee shall be responsible for and promptly pay all charges incurred for all utility services to the Premises, including, but not limited to, telephone service, sanitary and storm sewer, water, natural gas, light, power, heat, steam, communications services, garbage collection, and electricity arising out of Ground Lessee's use, occupancy, and possession of the Premises during the Term of this Agreement. Ground Lessee shall also pay for all maintenance upon such utilities. In no event shall Landlord be liable for any interruption or failure of utility service to the Premises, except to the extent caused by Landlord's negligent acts or omissions.

8.3 **Maintenance Repairs.** From and after the Commencement Date, subject to the provisions of **Article XVII** (Destruction and Severability) and **Article XVIII** (Condemnation) below relating to destruction of or damage to the Premises, Ground Lessee agrees that at its own expense it will keep and maintain the Premises, including, without limiting the generality of the foregoing, all improvements and landscaping (including mowing of grass and care of shrubs), in good, clean, condition and repair. Prior to the expiration or termination of

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this Agreement, Ground Lessee may remove from the Premises all of the personal property and equipment located thereon.

8.4 **Rules Governing Construction, Additions, and Alterations.** The following rules govern construction, additions, and alterations of buildings or other improvements on the Premises:

- a. Ground Lessee and any Sublessee must, at its own expense, engage a licensed architect or engineer to prepare plans and specifications for constructing any building or improvements or additions or alterations to any buildings or improvements and submit the same to the Landlord for approval in advance of any such construction, which such approval shall not be unreasonably withheld or delayed.
- b. The following items do not require submission to, and approval by Landlord:
 - (i) Minor repairs and alterations necessary to maintain existing structures and improvements in a useful state of repair and operation.
 - (ii) Changes and alterations required by an authorized public official with authority or jurisdiction over the buildings or improvements, to comply with legal requirements.

ARTICLE IX

HAZARDOUS SUBSTANCES

- 9.1 **Environmental Laws.** For purposes of this Article IX, “Environmental Laws” means the State and Federal laws which regulate Hazardous Substances (as hereinafter defined), and material, waste, or pollutants, in quantities or concentrations the generation, storage, disposal, handling, release (or threatened release), treatment, discharge, or emission of which is regulated, prohibited, or limited under: (i) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984, as now or hereafter amended (“RCRA”) (42 U.S.C. Sections 6901 et seq.), (ii) the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, as now or hereafter amended (“CERCLA”), (42 U.S.C. Sections 9601 et seq.), (iii) the Clean Water Act, as now or hereafter amended (“CWA”) (33 U.S.C. Sections 1251 et seq.), (iv) Toxic Substances and Control Act, as now or hereafter amended (“TSCA”) (15 U.S.C. Section 2601 et seq.), (v) the Clean Air Act, as now or hereafter amended (“CAA”) (42 U.S.C. Section 7401 et seq.), (RCRA, CERCLA, CWA, TSCA and CAA are collectively referred to herein as the “Federal Toxic Waste Laws”), (vi) any local, state or foreign law, statute, regulation, or ordinance analogous to any of the Federal Toxic Waste Laws, and (vii) any other federal, state, local, or foreign law (including any common law), statute, regulation, or ordinance regulating, prohibiting, or otherwise restricting the placement, discharge, release,

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threatened release, generation, treatment, or disposal upon or into any environmental media of any substance, pollutant, or waste which is now or hereafter classified or considered to be hazardous or toxic. All of the laws, statutes, regulations and ordinances referred to in subsections (vi) and (vii) above, together with the Federal Toxic Waste Laws are collectively referred to herein as "**Toxic Waste Laws**". The term "**Hazardous Substances**" shall also include, without limitation the following in quantities or concentrations which are regulated by State of Federal Environmental Laws, (a) gasoline, diesel fuel, fuel oil, motor oil, waste oil, and any other petroleum hydrocarbons, including any additives or other by-products associated therewith, (b) asbestos and asbestos-containing materials in any form, (c) polychlorinated biphenyls, and (d) any substance the presence of which on the Premises: (x) requires reporting or remediation under any Toxic Waste law; (y) causes or threatens to cause a nuisance on the Premises or poses or threatens to pose a hazard to the health or safety of persons on the Premises; or (z) which, if it emanated or migrated from the Premises, could constitute a trespass, nuisance or health or safety hazard to persons on adjacent property.

- 9.2 **Hazardous Substances on Premises Prohibited.** Ground Lessee shall not conduct, permit, or authorize Hazardous Substances on the Premises without prior written authorization by Landlord, except for such quantities which are routinely utilized in connection with the lawful use of the Premises, all of which are to be stored, used, handled, and disposed of in full compliance with all Toxic Waste Laws. Nothing contained herein shall be construed as imposing upon Ground Lessee any responsibility for any Hazardous Substances located in, on, or under the Land on or prior to the Effective Date (the "**Pre-Existing Conditions**"). If Ground Lessee discovers any Pre-Existing Conditions after the Effective Date, Ground Lessee shall have the option of either remediating such Pre-Existing Condition to the extent required by the Toxic Waste Laws and offsetting the cost thereof (including costs of investigations, reports, studies and consultants) against the Annual Base Rent, or terminating this Agreement by giving Landlord at least thirty (30) days prior written notice of such termination. However, in no event will Landlord have any direct responsibility to Ground Lessee for any unknown Pre-Existing Condition.

9.3 **Compliance with Toxic Waste Laws.**

- (a) Ground Lessee shall, at its sole cost and expense, comply with all applicable Toxic Waste Laws, provided that nothing contained herein shall be construed as imposing upon Ground Lessee any responsibility for compliance with applicable Toxic Waste Laws in respect of Pre-Existing Conditions.
- (b) Notwithstanding anything contained herein to the contrary, Ground Lessee shall indemnify and hold harmless Landlord from any and all liabilities, claims, causes of action, penalties, fines, costs, expenses, reasonable attorneys' fees, remedial or response costs, investigatory costs and other similar expenses arising out of or otherwise attributable to any violation by Ground Lessee or the Premises of any Toxic Waste Law, unless such violation is the result of Pre-Existing Conditions, or has migrated to the Land from somewhere other than the Land or its

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improvements. Such indemnity obligation shall survive any termination or expiration of this Agreement.

- 9.4 **Landlord's Warranties.** Except for pre-existing conditions generated at 111 Main Street, Little Elm, Texas and referenced in a Reed Engineering Report, dated May 22, 2013, Landlord further represents and warrants that to the best of Landlord's actual knowledge: (i) no leak, spill, discharge, emission or disposal of hazardous or toxic substances has occurred on or about the Land; (ii) the soil, groundwater, soil vapor on or under the Premises is free of toxic or hazardous substances as of the date hereof; and (iii) that there has been no violation of any Toxic Waste Law.

ARTICLE X

INSURANCE

10.1 **Ground Lessee's Insurance.**

- (a) Ground Lessee shall, at its sole cost and expense, obtain and maintain insurance upon and relating to the Premises by "broad peril" form of insurance policy(ies) in amounts equal to 80% of the full insurable replacement value of the improvements located on the Land. The requirement for broad peril coverage shall be met through "builder's risk" insurance coverage during the period of construction of improvements on the Land. All such policies of insurance shall insure Ground Lessee, Landlord, and Ground Lessee's mortgagee, as their interests may appear. Ground Lessee may meet its obligations hereunder if a Sublessee supplies such insurance meeting the requirements of this subsection at its sole cost and expense.
- (b) Ground Lessee shall, at its sole cost and expense, obtain and maintain a commercial General Liability Insurance policy and in the event that construction is commenced on the Premises, Construction Liability Insurance, insuring Landlord, Ground Lessee's mortgagee and Ground Lessee against all claims, demand, or actions arising out of or in connection with injury to or death of a person or persons and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the Premises, the limits of such policy or policies to be in such amounts as may be reasonable and customary in Denton County, Texas for similar properties with the same type of improvements as may from time to time be situated upon the Land but not less than \$500,000.00 for property damage, \$1,000,000.00 for one person and \$2,000,000 for one accident for personal injury. Ground Lessee may meet its obligations hereunder if a Sublessee supplies such insurance meeting the requirements of this subsection at its sole cost and expense.
- (c) All policies of insurance shall be issued by an insurance company or companies having a General policyholder's rating of not less than A as stated in the most

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current available Best's insurance reports (or comparable rating service if Best's reports are not currently being published), licensed to do business in the State of Texas. All policies of insurance shall be in form and substance reasonably satisfactory to Landlord. Ground Lessee shall deliver to Landlord certificates or copies of all policies of required insurance fifteen (15) days prior to the expiration of each of policies required hereunder. Ground Lessee shall furnish Landlord with a certificate of insurance in force or replacement coverage and meeting the standards hereinabove provided, all as required by this Agreement. All such policies shall contain a provision that such policies will not be canceled or materially amended, including any reduction in the scope or limits of coverage, without ten (10) days' prior written notice to Landlord. In the event Ground Lessee fails to maintain, or cause to be maintained, or deliver and furnish to Landlord certified copies of policies of insurance required by this Agreement, Landlord may procure such insurance for the benefit only of Landlord for such risks covering Landlord's interests, and Ground Lessee will pay all premiums thereon within thirty (30) days after demand by Landlord. In the event Ground Lessee fails to pay such premiums (or reimburse Landlord) upon demand the amount of all such premiums shall bear interest at the Default Rate.

- 10.2 **Waiver of Subrogation.** Notwithstanding anything contained in this Agreement to the contrary, each party hereto hereby waives any and every claim which arises or may arise in its favor and against the other party hereto, or anyone claiming through or under them, by way of subrogation or otherwise, during the Term for any and all loss of, or damage to, any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom such other party may be responsible), which loss or damage is covered, or is required by this Agreement to be covered, by valid and collectible fire and extended coverage insurance policies (but not as to loss or damage covered by self-insurance as permitted hereby). Such waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any loss or damage to property of the parties hereto.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

- 11.1 **Right to Sublet.** Ground Lessee may from time to time sublet (or sub-ground lease) the Premises in whole or in part at any time and from time to time, without Landlord's consent. The making of any such sublease or ground lease shall not release Ground Lessee from, or otherwise affect in any manner, any of Ground Lessee's obligations hereunder.

Notwithstanding anything contained herein to the contrary, Ground Lessee may at any time assign this Agreement to an Affiliate without the prior written consent of Landlord.

- 11.2 **Right to Transfer.** Ground Lessee may, without the prior written consent of Landlord, Transfer its interest in and under this Agreement, in whole or in part, for any use permitted

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under Section 6.1 above, provided however Ground Lessee may not transfer to an Unqualified Transferee. Ground Lessee shall not be relieved of liability for the performance of its obligations under this Agreement by reason of any such Transfer, with respect to the interest Transferred unless Ground Lessee delivers to Landlord a written instrument, in recordable form, pursuant to which the Transferee assumes, from and after the effective date of the Transfer, all of the obligations of Ground Lessee in respect of the interest Transferred; provided, however, that in the event the Transfer occurs by way of the foreclosure of a Deed of Trust, Ground Lessee shall thereupon be relieved of any further liabilities or obligations accruing from and after the date of foreclosure, regardless of whether the Deed of Trust (or other Person acquiring Ground Lessee's interest in and under this Agreement) assumes Ground Lessee's obligations hereunder. In the event of any transfer by Ground Lessee hereunder, the Transferee shall be entitled to the notices and rights conferred on the Ground Lessee under **Section 4.7** and **4.8** and shall be burdened by the obligations provided to the Landlord under **Section 4.9**.

- 11.3 **Transfer Restrictions.** Ground Lessee shall not, without first obtaining the prior written consent of Landlord, transfer its interest in or under this Agreement, in whole or in part, to any Unqualified Transferee as defined in **Section 1.28**.

ARTICLE XII

QUIET ENJOYMENT

- 12.1 **Quiet Enjoyment.** Provided Ground Lessee pays the rent payable hereunder as and when due and payable and keeps and fulfills all of the terms, covenants, agreements and conditions to be performed or observed by Ground Lessee hereunder, Ground Lessee shall at all times during the Term have quiet and peaceable enjoyment of the Premises.
- 12.2 **Warranty of Title.** Landlord represents and warrants that Landlord is the sole owner of fee simple title in and to the Land, subject only to the matters set forth in the Title Commitment, and that Landlord, subject to Town Council of the Town of Little Elm, alone has the full and sole right to lease the Premises to Ground Lessee without the consent or joinder of any other party (which consent or joinder will have been obtained at the time of execution of this Ground Lease Purchase Agreement).


ARTICLE XIII

HOLDOVER

Upon the termination of this Agreement (whether by the expiration of the Term of this Agreement or otherwise) Ground Lessee must immediately vacate the Premises, but if Ground Lessee fails to do so then, without the execution of a new lease by Landlord and Ground Lessee, Ground Lessee, at the option of Landlord, shall immediately become a holdover month-to-month Ground Lessee of the Premises at one hundred fifty percent (150%) of the Monthly Rent effective in the month immediately preceding the termination of this Agreement,

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plus all Additional Rent and other sums payable by Ground Lessee hereunder, and under all other terms, conditions, provisions, and obligations of this Agreement.

ARTICLE XIV

DEFAULT AND REMEDIES

14.1 **Events of Default.** The occurrence of one or more of the following events shall constitute an event of default (each being referred to as an “**Event of Default**”) pursuant to the terms of this Agreement:


- (a) The failure of Ground Lessee to comply with or to observe any terms, provisions, or conditions of this Agreement performable by and obligatory upon Ground Lessee, excluding the rent and other payment provisions hereof, within thirty (30) days after written notice by Landlord plus such additional time as is needed to cure the same so long as Ground Lessee (or its mortgagee) has commenced such cure within such 30-day period and such cure thereafter is continuously and diligently undertaken by Ground Lessee (or its mortgagee);
- (b) From the Commencement Date, the failure of Ground Lessee to pay when due any portion of any installment of Monthly Rent or any other monetary charge due from Ground Lessee hereunder and such failure continues for thirty (30) days after written notice thereof from Landlord; provided, however, Landlord shall not be required to give such 30 day notice, and Ground Lessee shall not be entitled to same, more than two (2) times during any twelve (12) month period, and any subsequent failure of Ground Lessee to pay a monetary charge hereunder during such 12-month period shall be an Event of Default upon the occurrence thereof without any further notice whatsoever to Ground Lessee;
- (c) The taking of all of Ground Lessee’s leasehold estate by execution or other process of law other than as provided in **Article XVIII**.

14.2 **Landlord Remedies.** Upon the occurrence of any Events of Default enumerated in **Section 14.1** hereof, but subject to the rights of mortgagees and their designees as provided in **Article XV** hereof, Landlord shall have the right to pursue and enforce any and all rights and remedies available to Landlord hereunder or at law or equity, including, without limitation, (i) the right to terminate this Agreement by written notice to Ground Lessee and the expiration of any applicable cure periods as provided in this Ground Lease, and (ii) the right to terminate Ground Lessee’s right of possession of the Premises (without terminating this Agreement).

14.3 **No Waiver by Landlord.** Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or equity, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions, and covenants herein contained.

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Landlord's acceptance of rent following an Event of Default hereunder shall not be construed as Landlord's waiver of any future Event of Default. No waiver by Landlord of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such default.

14.4 **Attorney's Fees.** In any case where Landlord or Ground Lessee employs attorneys to protect or enforce its rights hereunder and prevails, then the non-prevailing party agrees to pay the other party reasonable attorney's fees and costs of suit incurred by the prevailing party.

14.5 **Bankruptcy of Ground Lessee.** The bankruptcy or insolvency of Ground Lessee, an assignment by Ground Lessee for the benefit of Ground Lessee's creditors, the appointment of a trustee, liquidator or receiver for Ground Lessee, reorganization by Ground Lessee, an admission by Ground Lessee of its inability to pay its debts as the same become due and/or the inability to pay its debts as the same become due and/or the seeking or granting of any order of relief in any proceeding commenced by or against Ground Lessee under any present or future federal or state bankruptcy, insolvency or creditors' relief statute shall not affect this Agreement so long as all covenants of Ground Lessee are continued in performance by Ground Lessee or its successors or legal representatives. Furthermore, with respect to the rights of a mortgagee, all notice of default and the periods for curing the same shall be extended for such period of time as Ground Lessee and/or its interest under this Agreement are involved in any bankruptcy, receivership, custodial or other legal proceeding which prevents such mortgagee from curing any such default and/or obtaining title to the interest of Ground Lessee under this Agreement and/or actual possession of the Premises, provided that during such interim period the mortgagee under a mortgage of the leasehold estate, or its designee, shall pay/or cause to be paid all rents, taxes, assessments, and insurance premiums provided for hereunder as and when they become due under the terms of this Agreement.

14.6 **Default of Landlord.** To the extent Landlord has obligations under this Ground Lease, if Landlord defaults in its obligations, Ground Lessee shall provide Landlord with thirty (30) days' notice within which to cure such default. In the event Landlord has not cured such default within the applicable time, then Ground Lessee shall have the right to pursue and enforce any and all rights and remedies available to Ground Lessee hereunder, or at law or equity, including specific performance.

ARTICLE XV

FINANCING

15.1 **Right to Finance.** Ground Lessee shall from time to time and at any time have the right to encumber by one or more mortgages, deeds of trust, security agreements, or other instruments in the nature thereof, as security for one or more loans, indebtednesses or obligations, Ground Lessee's right to use and occupy the Premises, the leasehold estate created hereby, all right, title and interest in and to any improvements at any

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time located on or partially on the Premises, and any other property so affixed to said land, buildings or improvements as to be a part thereof. Any such indebtedness or obligation and any such mortgage, deed of trust or security agreement securing same shall be for such amount and on such other terms and conditions as Ground Lessee may agree to in its sole discretion; provided that any such mortgage, deed of trust, or security agreement shall at all times be subject to the terms and provisions of this Agreement and the rights, titles and interest of Landlord arising by virtue of this Agreement. **IN NO EVENT WILL LANDLORD BE REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND FOR FINANCING OBTAINED BY GROUND LESSEE UNDER THIS SECTION 15.1, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF GROUND LESSEE).**

- 15.2 **Notice to Mortgagee.** If at any time after execution and recordation in Denton County, Texas, of any such mortgage, deed of trust, or other instrument in the nature thereof, Ground Lessee or the mortgagee therein shall notify Landlord in writing that any such mortgage or deed of trust has been given and executed by Ground Lessee, and shall furnish Landlord with the address to which such mortgagee desires copies of notices to be mailed (or designate some person or corporation as the agent and/or representative of such mortgagee for the purpose of receiving copies of notices), Landlord hereby agrees that Landlord will thereafter, in addition to any other notice Landlord shall be required by this Agreement to deliver to such mortgagee, mail to each such mortgagee or agent thereof, at the address so given, by registered mail, postage prepaid, return receipt requested, and at the same time that such notice is placed in the mail or otherwise delivered to Ground Lessee, duplicate copies of any and all notices in writing which Landlord may from time to time give or serve upon Ground Lessee under and pursuant to the terms and provisions of this Agreement, including, but not by way of limitation, any notices of default required to be sent by virtue of **Article XIV** hereof. Landlord shall also notify each such mortgagee of any proposed action requiring the prior approval of such mortgagee hereunder and any casualty or condemnation loss.
- 15.3 **Right to Cure.** Any such mortgagee, at the option of such mortgagee, acting either directly or indirectly through a designee, may pay any of the rents due hereunder or may affect any insurance, or may pay any taxes and assessments, or may make any repairs and improvements, or may make any deposits, or may do any other act or thing or make any other payment required of Ground Lessee by the terms of this Agreement, or may do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions of this Agreement, or to prevent the forfeiture of this Agreement; and all payments so made and all things so done and performed by such mortgagee or designee shall be effective to prevent a forfeiture of the rights of Ground Lessee hereunder as the same would have been if timely done and performed by Ground Lessee instead of by any such mortgagee or designee. The mortgagee shall be given a separate fifteen (15) day written notice of Ground Lessee's failure to cure an Event of Default after any notice and period to cure, during which fifteen (15) day period the mortgagee shall have the right to cure and monetary default, and if any non-monetary

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default cannot reasonably be cured in this fifteen (15) day period, the right to commence and thereafter diligently and continuously pursue the required cure to completion.

15.4 **Option for New Lease.** Upon termination of this Agreement, for any reason, other than expiration of its Term, Landlord shall deliver written notice of such termination to any mortgagee about which Landlord has been notified pursuant to Section 15.2 hereof and such mortgagee or its designee shall have the option, within forty-five (45) days after receipt of written notice of such termination, to elect to receive from Landlord a new lease of the Premises for the unexpired balance of the Lease Term, or any renewal and extension hereof, on the same terms and conditions as in this Agreement set forth, and Landlord agrees to execute such new lease provided such mortgage holder or designee:

- (a) shall forthwith cure any monetary default of Ground Lessee;
- (b) shall undertake forthwith to remedy any non-monetary default of Ground Lessee, excluding those which by their nature are incapable of cure by any other person or corporation; and
- (c) shall thereafter observe and perform all covenants and conditions in such Lease contained on the part of Ground Lessee to be observed and performed (including the payment of rents hereunder).

In the event that more than one (1) mortgagee or designee shall exercise the foregoing option for a new lease, Landlord shall enter into a new lease with the mortgagee, or the designee of such mortgagee, having the highest priority among those mortgagees which exercised the option.


15.5 **No Liability.** No such mortgagee of the rights or interests of the Ground Lessee or its designee hereunder shall be or become liable to Landlord as an assignee of this Agreement or otherwise, unless such mortgagee or designee expressly assumes by written instrument such liability, and no assumption shall be inferred from or result from foreclosure or other appropriate proceedings in the nature thereof or as the result of any other action or remedy provided for by such mortgage or deed of trust or other instrument or from a conveyance from Ground Lessee pursuant to which the purchaser at foreclosure or grantee shall acquire the rights and interest of Ground Lessee under the terms of this Agreement.

15.6 **Modifications.**

- (a) Landlord shall not accept any surrender of or agree to any termination of or enter into any modification or amendment of this Agreement without the prior written consent thereto by any such mortgagee, and any attempt to do so without such written consent shall be void and of no force and effect.
- (b) Landlord agrees to modify this Agreement from time to time for the purpose of incorporating therein such additional mortgagee protective provisions as may be

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reasonably requested by any such mortgagee, provided such modifications are reasonably acceptable to Landlord and not inconsistent with the basic transaction agreed to by the parties, including, without limitation, any of the monetary terms of this Agreement, provided that **IN NO EVENT WILL LANDLORD BE REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND FOR FINANCING OBTAINED BY GROUND LESSEE UNDER THIS SECTION 15.6, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF GROUND LESSEE).**

- 15.7 **Rights Cumulative.** All rights of a leasehold mortgagee under this Agreement shall be cumulative.
- 15.8 **Landlord's Right to Finance.** Landlord may at any time, without the prior written consent of Ground Lessee, encumber by mortgage, deed of trust, security agreement or other instrument in the nature thereof, any of Landlord's right, title or interest in the Land and this Agreement; provided that any such mortgage, deed of trust or other instrument in the nature thereof shall at all times be, and shall expressly state that it is, subject and subordinate to this Agreement and the rights, titles and interests of Ground Lessee and any mortgagee of Ground Lessee arising by virtue of this Agreement.

ARTICLE XVI

ESTOPPEL CERTIFICATES

Landlord and Ground Lessee will, at any time and from time to time, upon not less than thirty (30) days' prior written request by the other party, execute, acknowledge and deliver to each other or to any person whom the requesting party may designate, a certificate, certifying as follows: (i) that this Agreement is unmodified and in full effect (or setting forth any modifications and that this Agreement is in full effect as modified); (ii) the Annual Base Rent payable and the dates to which the Annual Base Rent has been paid and whether other sums, including Additional Rent payable hereunder, have been paid; (iii) any default of which such party may have knowledge; (iv) the commencement and expiration dates of this Agreement; and (v) such other matters as may reasonably be requested by either of the parties hereto. Any such certificate may be relied upon by any mortgagee or prospective purchaser or prospective mortgagee of the Premises.


ARTICLE XVII

DESTRUCTION AND SEVERABILITY

- 17.1 **Casualty.** In the event the Premises shall be wholly or partially damaged or destroyed by fire or other casualty, Ground Lessee may, at its option and expense (utilizing proceeds of the insurance policies carried by Ground Lessee pursuant to Article X hereof), cause such damage to be repaired or restored to the condition of the Premises which existed immediately prior to such casualty or construct other new improvements on the Land. In

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the event that Ground Lessee elects not to restore the damaged improvements or build new improvements, Ground Lessee shall demolish the remaining portions of the damaged structure as necessary or appropriate and remove all debris destruction from the Premises within nine (9) months after the appropriate governmental authorities have consented to the removal of the debris. During the period of repair or restoration, Annual Base Rent shall not be reduced, but Ground Lessee may use proceeds of rent insurance to pay Annual Base Rent. In the event Ground Lessee elects not to restore the damaged improvements or build new improvements, Ground Lessee shall have the option to continue to pay the Annual Base Rent during the remaining Term of the Ground Lease, or may provide written notice to Landlord that Ground Lessee elects to terminate the Ground Lease, at which point the Ground Lease shall terminate.

ARTICLE XVIII

CONDEMNATION

18.1 Definitions. For purposes of this **Article XVIII**, the following terms shall have the respective meanings set forth below:

- (a) **“Award”** means the amount of any award made, consideration paid, or damages ordered as a result of a Taking less any reasonable costs in obtaining such award, such as reasonable legal fees and costs, consultant fees, appraisal costs.
- (b) **“Date of Taking”** means the date upon which title to the Premises, or a portion thereof, passes to or vests in the condemnor or the effective date of any order for possession if issued prior to the date title vests in the condemnor.
- (c) **“Taking”** means a taking of the Premises or any damage related to the exercise of the power of eminent domain and including a voluntary conveyance to any agency, authority, public utility, person, or corporate entity empowered to condemn property in lieu of court proceedings.

18.2 **Total Condemnation**. If the entire Premises shall be taken as the result of a Taking, this Agreement shall terminate and expire as of the Date of Taking.

18.3 **Partial Condemnation**. If a portion of the Premises should be taken as a result of a Taking, and the remaining part of the Premises is unsuitable, in Ground Lessee’s reasonable opinion, for the continued economic conduct of Ground Lessee’s business, Ground Lessee shall have the right to terminate this Agreement by giving Landlord written notice thereof no later than thirty (30) days after the Date of Taking, whereupon Annual Base Rent, Additional Rent and all other charges shall be terminated as to the unexpired portion of this Agreement, effective as of the Date of Taking.

If Ground Lessee does not exercise its right to terminate as set forth above or if such partial Taking does not, in Ground Lessee’s discretion, render the remaining part of the Premises unsuitable for the continued economic conduct of Ground Lessee’s business, this

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Agreement shall not terminate; however, the Annual Base Rent payable hereunder during the unexpired portion of this Agreement shall be reduced in proportion to the area of the Land taken, effective as of the Date of Taking; further provided, however, that if Landlord and Ground Lessee do not agree on the proportionate amount of reduction of Annual Base Rent, such amount shall be determined in accordance with the appraisal procedures described in **Section 18.5**. Following such partial Taking, Ground Lessee shall make all necessary repairs or alterations necessary to make the Premises an architectural whole, if Ground Lessee has not elected to terminate this Agreement.

18.4 **Condemnation Proceeds.** All Awards shall be paid to Landlord and Ground Lessee in the following shares:

- (i) Ground Lessee shall receive those portions of the Award that are specifically attributable to (a) the value of, and paid as compensation for, Ground Lessee's interest in the Premises, including all Improvements hereafter constructed by Ground Lessee thereon and any of Ground Lessee's personal property taken, (b) removal and relocation of Ground Lessee's personal and trade fixtures, (c) anticipated or lost profits or damages caused to Ground Lessee's business or any special damages to Ground Lessee, (d) the bonus value of Ground Lessee's leasehold estate, and (e) any severance damages awarded by reason of the partial Taking of any Improvements.
- (ii) Landlord shall receive from the Award those portions of the Award that are attributable to (a) the value of, and paid as compensation for, its fee interest in the Land (as encumbered by the Lease), and (b) the reversionary interest in any Improvements located on the Land; and
- (iii) Ground Lessee shall use whatever portion of the Award it receives by reason of a partial taking of Improvements to pay the cost of enclosing any Improvements that are not taken if the partial taking caused such Improvements to be no longer fully enclosed.

In the event of a dispute between Landlord and Ground Lessee as to the fair market value of the Land and any Improvements before or after the Taking, or as to the proper allocation of any Award as required herein, then either Landlord or Ground Lessee may submit the issue to determination by appraisers pursuant to **Section 18.5**, and such determination shall be binding upon the parties.

18.5 **Appraisal.** Not more than thirty (30) days after any Taking, Landlord and Ground Lessee shall each appoint one independent MAI appraiser to determine the value of the interest of Landlord or Ground Lessee, or both, as the case may be, and notice of such appointment shall be given to the other party. Such appraisers shall be appointed and such appraisals shall be made in the following manner: Landlord and Ground Lessee shall each select an independent, experienced and duly licensed MAI real estate appraiser and the two (2) appraisers shall thereupon be instructed to select and designate a third (3rd) appraiser, who shall be engaged by both Landlord and Ground Lessee. If either party shall fail to so designate an appraiser, the other party shall have the right to petition

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the District Court for the County of Denton, Texas to appoint such an appraiser on behalf of the defaulting party, which appraiser shall act on behalf of such party and at such party's sole cost and expense. In the event that such appraisers shall fail to agree on an appraised value of the interest, Landlord and Ground Lessee agree that the value of the interest shall be established as the average price represented by the two (2) appraisal reports most closely in agreement as to the value of the interests.

- 18.6 **Voluntary Conveyance.** Nothing in this article prohibits Landlord from voluntarily conveying all or part of the premises to a public utility agency, or authority under threat of a taking under the power of eminent domain. Any such voluntary conveyance will be treated as a taking within the meaning of this article.

ARTICLE XIX

EXISTING LEASES

- 19.1 **Assignment of Existing Leases.** As of the Effective Date, Landlord shall assign the Existing Leases, if any, to Ground Lessee; provided, however, prior to the Commencement Date, Landlord shall continue to operate, collect rents and pay expenses with respect to the Existing Leases (but only to the extent that such Existing Leases have not theretofore terminated). Furthermore, from and after the Effective Date, Landlord shall not, without the prior written consent of Ground Lessee (which consent may be granted or withheld in Ground Lessee's sole and absolute discretion), enter into any new leases or amend, terminate or extend any of the Existing Leases. Any termination/buyout fees to be paid to terminate any Existing Lease shall be paid by Ground Lessee. Any rental amounts under the Existing Leases shall be pro-rated as of the Commencement Date. Landlord shall transfer to Ground Lessee all security deposits held by the Landlord as respects any Existing Lease on the Commencement Date.

ARTICLE XX

GENERAL PROVISIONS

- 20.1 **Notice.** Any notice, request, or other communication (hereinafter severally and collectively called "Notice") in this Agreement provided for or permitted to be given, made or accepted by either party to the other must be in writing, and may, unless otherwise in this Agreement expressly provided, be given or be served by depositing the same in the United States mail, postpaid and certified and addressed to the party to be notified, with return receipt requested. Notice given in any manner as provided in this **Section 20.1** shall (a) as to notice given to or served by depositing the same in the United States mail, as aforesaid, shall be effective three (3) days after depositing the same in a regularly maintained receptacle for pickup and delivery of United States mail and (b) as to Notice given or served by any other method, shall be effective only if and when received by the party to be notified. The following shall be prima facie evidence of the date of actual receipt of Notice by the addressee: (a) if hand delivered, by a delivery receipt signed by the addressee or the addressee's agent or representative, (b) written evidence by the

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carrier of such Notice of the date of attempted delivery at the address of the addressee if such delivery is refused, or (c) a return telecopy sent from a fax machine or office of the addressee or other confirmation from the office of the addressee indicating that any telecopied notice has been received.

For purposes of Notice, the addresses of the parties shall, until changed as herein provided, be as follows:

Landlord: Little Elm Economic Development Corporation
100 W. Eldorado Parkway
Little Elm, Denton County, Texas 75068-5060

With a copy to: Brown and Hofmeister, LLP
740 East Campbell Road, Suite 800
Richardson, Texas 75081
Attn: Jeff Moore, Esq.

Ground Lessee: Village at Lakefront, LLC
14109 Inwood Road
Farmers Branch, Texas 75244-8232
Attn: John L. Bailey

With a copy to: _____

Attn: _____

However, the parties hereto and their representative heirs, successors, legal representatives, and assigns shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least ten (10) days' written notice to the other party.

20.2 **Captions.** The title captions appearing in this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing this Agreement, or any provisions hereof, or in connection with the duties, obligations, or liabilities of the respective parties hereto, or in ascertaining intent, if any question of intent exists.

20.3 **Entire Contract; Amendment.** It is expressly agreed by both parties that this Agreement, and the Exhibits attached hereto is the entire agreement of the parties with respect to the subject matter hereof, and that there are, and have been, no verbal representations, understandings, stipulations, agreements, or promises pertaining to this Agreement. It is likewise agreed that this Agreement may not be altered, amended, or extended except by an instrument in writing signed by both Landlord and Ground Lessee.

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- 20.4 **Severability.** If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 20.5 **Successor and Assigns.** All covenants and obligations as contained within this Agreement shall bind and extend and inure to the benefit of the successors and permitted assigns of each of Landlord and Ground Lessee.
- 20.6 **Personal Pronouns.** All personal pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine, or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.
- 20.7 **No Merger.** There shall be no merger of this Agreement or of the leasehold estate created by this Agreement with the fee or any other estate or interest in the Premises by reason of the fact that the same person owns or hold, directly or indirectly, all such estates and interests or any combination thereof.
- 20.8 **Short Form Lease.** Upon the complete execution hereof, the parties hereto shall execute and record a memorandum of this Agreement in the Real Property Records of Denton County, Texas which also identifies Ground Lessee's option to purchase (in general terms and not listing any specific price therein).
- 20.9 **Legal Interpretation.** This Agreement and the rights and obligations of the parties hereto shall be interpreted, construed, and enforced in accordance with the laws of the State of Texas.
- 20.10 **No Mortgage or Joint Venture.** Ground Lessee and Landlord acknowledge and agree that this Agreement is, in fact, a lease arrangement, and does not constitute a loan or a joint venture, and that Ground Lessee has been represented by experienced legal counsel, who has advised Ground Lessee of the rights and duties of Ground Lessee. Ground Lessee will not assert that the transaction evidenced hereby is a loan or a joint venture if Landlord or Landlord's mortgagee subsequently seeks to enforce its legal rights as a landlord.
- 20.11 **Brokers.** Ground Lessee warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Agreement and Ground Lessee agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, expenses, or liability for commissions or other compensation or charges claimed by any parties claiming by, through, or under Ground Lessee with respect to this Agreement. Landlord warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Agreement and Landlord agrees to the extent allowed by law to indemnify Ground Lessee and hold Ground Lessee harmless from and against any and all costs, expenses, or liability for commissions or other compensation or charges

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claimed by any parties claiming by, through, or under landlord with respect to this Agreement.

20.12 **Waiver of Landlord's Lien; Fixtures.** Landlord hereby waives any contractual, statutory or other Landlord's lien on the furniture, fixtures, supplies, equipment, inventory or other personalty of Ground Lessee or any sublessee of Ground Lessee. Ground Lessee may, at any time while it occupies the Premises, or within a reasonable time thereafter, remove any furniture, machinery, equipment, or other trade fixtures owned or placed by Ground Lessee, its subtenant or licensees, in, under, or on the Premises, or acquired by Ground Lessee, whether before or during the Term of this Agreement. Before this Agreement terminates, Ground Lessee must repair any damage to any buildings or improvements on the Premises resulting from such removal described in this section. Notwithstanding any other term or provision of this Agreement, any such items not removed by the lease termination date will become Landlord's property on that date.

20.13 **Authority to Execute.**

(a) Ground Lessee represents and warrants that Ground Lessee is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Ground Lessee has (have) full right, power, and authority to execute this Agreement on behalf of Ground Lessee, as reflected on the Secretary's certificate, furnished to Landlord on or prior to the Effective Date.

(b) Landlord represents and warrants that Landlord is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Landlord has (have) full right, power, and authority to execute this Agreement on behalf of Landlord, as reflected on the Secretary's certificate, furnished to Ground Lessee on or prior to the Effective Date.

20.14 **Force Majeure.** Whenever a period of time is herein prescribed for action to be taken by Landlord or Ground Lessee (except as to payment of rent or other sums due by either party hereunder), neither Landlord nor Ground Lessee, as applicable, shall be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays (collectively, "Force Majeure") due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions.

20.15 **Mechanic's Liens.** Ground Lessee will not cause or permit any mechanic's liens or other liens to be filed against the fee of the Premises or against Ground Lessee's leasehold interests (excluding any leasehold mortgage) in the Land or any building or improvements on the premises by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Ground Lessee or anyone holding the Premises or any part of them through or under Ground Lessee. If such a mechanic's lien or materialman's lien is recorded against the Premises or any buildings or improvement on them, Ground Lessee must either cause it to be removed or, if Ground Lessee in good faith wishes to contest

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Village at Lakefront

the lien, Ground Lessee will indemnify Landlord and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will, in the event of a judgment of foreclosure on the lien, cause the lien to be discharged and removed before the judgment is executed.

- 20.16 **Right of Entry.** Ground Lessee must permit Landlord or its agents, representatives, or employee to enter the Premises for the purposes of inspection; determining whether or not Ground Lessee is complying with this Agreement; maintaining, repairing or altering the Premises; or showing the Premises to prospective Ground Lessees, purchasers, mortgagees, or beneficiaries under trust deeds.
- 20.17 **No Partnership or Joint Venture.** The relationship between Landlord and Ground Lessee is at all times solely that of landlord and Ground Lessee and may not be deemed a partnership or a joint venture.
- 20.18 **Prior Agreements Superseded/Rule of Construction.** This Agreement constitutes the parties' sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party, regardless of the party supplying this Agreement.
- 20.19 **Delivery Does Not Constitute Offer.** The submission of this Agreement for examination by one party does not constitute an offer capable of acceptance and Ground Lessee shall have no rights with respect to this Agreement or the Premises until Landlord shall execute the Agreement and deliver the same to Ground Lessee. A binding agreement may only be formed by the execution of a written agreement duly signed by both parties.
- 20.20 **Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and either party's using any right or remedy will not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.
- 20.21 **Chamber of Commerce Membership.** Ground Lessee covenants and agrees to maintain during the Term of this Agreement the equivalent of a platinum membership or higher, with the Little Elm Chamber of Commerce.

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Village at Lakefront

EXECUTED IN MULTIPLE ORIGINAL COUNTERPARTS, which constitute but one and the same instrument, as of the day and year first above written. Upon the final execution hereof by Landlord and Ground Lessee, the last to sign of such parties shall complete the date on the first page thereof.

LANDLORD:

**LITTLE ELM ECONOMIC
DEVELOPMENT CORPORATION**

a Texas non-profit corporation

By: _____
Ken Eaken, President

Date: _____

STATE OF TEXAS

§

§

COUNTY OF DENTON

§

This instrument was acknowledged before me on the ____ day of _____, 2021, by Ken Eaken, President of the Little Elm Economic Development Corporation, a Texas non-profit corporation, on behalf of said non-profit corporation.

Notary Public, State of Texas

Initial for Identification: _____
Little Elm EDC



Village at Lakefront

GROUND LESSEE:

VILLAGE AT LAKEFRONT, LLC,
a Texas limited liability company,

By: Village Management, Inc.,
a Texas corporation, Manager

By: John L. Bailey
John L. Bailey, President of Manager

STATE OF TEXAS

§

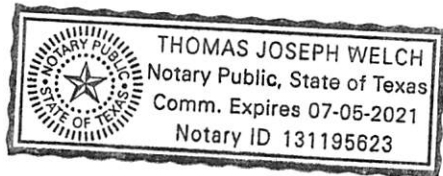
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COUNTY OF DALLAS

§

This instrument was acknowledged before me on the 14 day of January, 2021,
by John L. Bailey, President of Village Management, Inc., as Manager of Village at Lakefront,
LLC, a Texas limited liability company, on behalf of said Texas company.

Thomas Joseph Welch
Notary Public, State of Texas



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Village at Lakefront

Exhibit A

LAND

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Village at Lakefront

1. The first step in the process of creating a new product is to identify a market need. This involves conducting market research to determine what consumers want and what problems they are facing.

2. Once a market need has been identified, the next step is to develop a concept for a product that addresses this need. This involves brainstorming ideas and selecting the most promising one.

3. The third step is to create a prototype of the product. This allows the designer to test the product and make any necessary adjustments before moving forward with production.

4. After the prototype has been tested and refined, the next step is to create a business plan. This plan should outline the costs of production, the pricing strategy, and the marketing plan.

5. The final step is to launch the product into the market. This involves manufacturing the product, distributing it, and promoting it to consumers.

MINOR PLAT
PALLADIUM ADDITION
LOTS 1R-1 & 1R-2, BLOCK A
7.22 ACRES SITUATED IN THE RICHARD
HENSLOWITH SURVEY, ABSTRACT NO. 377 AND
THE MATTHEW JONES SURVEY, ABSTRACT NO.
667, DENTON COUNTY, TEXAS

[illegible]

1. The first step is to identify the main components of the system. This includes the hardware (CPU, memory, storage) and software (operating system, applications).
 2. Next, we need to understand the requirements of the system. This involves determining the performance goals, security needs, and scalability requirements.
 3. Once the requirements are clear, we can begin the design process. This includes creating a system architecture, defining data models, and developing algorithms.
 4. After the design is complete, we move on to implementation. This involves writing code, configuring hardware, and testing the system.
 5. Finally, we need to maintain and update the system. This includes monitoring performance, fixing bugs, and adding new features as needed.

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Town Council Meeting

Date: 01/19/2021
Agenda Item #: 6. J.
Department: Economic Development Corporation
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Consider Action to Approve a **Ground Lease Purchase Agreement for Certain Retail Property in Little Elm, Denton County, Texas.**

DESCRIPTION:

This is a Ground Lease Purchase Agreement between Little Elm Economic Development Corporation (Landlord) and Village at Lakefront, LLC (Ground Lessee).

ChadNic purchased the development from Palladium/NE on December 29th and has requested that we split the retail and multifamily agreement into two separate agreements. The purpose of this request is to enable the developer to secure separate loans for refinancing. The Retail portion will now reflect 0.74 acres.

BUDGET IMPACT:

Lease amount and terms remain the same as the original agreement: Rent remains at \$16,117.00 annually of which payments start 12 months after the C.O. is obtained from the tenant. Option for "eligible to purchase" is applicable the 8th lease year after the tenant obtains the CO for the amount of \$257,875.00.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Ground Lease Purchase Agreement - Retail Village at the Lakefront

**GROUND LEASE PURCHASE AGREEMENT
FOR CERTAIN RETAIL PROPERTY IN LITTLE ELM, DENTON COUNTY, TEXAS**

THIS GROUND LEASE PURCHASE AGREEMENT (this “**Agreement**”) is made and entered into on the ____ day of _____, 2021 (the “**Effective Date**”) by and between **LITTLE ELM ECONOMIC DEVELOPMENT CORPORATION**, a Texas non-profit corporation, having its principal address as 100 W. Eldorado Parkway, Little Elm, Texas 75068-5060 (“**Landlord**” or “**Little Elm EDC**”), and **VILLAGE AT LAKEFRONT, LLC**, a Texas limited liability company, or its permitted assigns (“**Ground Lessee**” or “**Village at Lakefront**”). This Agreement, together with the “Ground Lease Purchase Agreement for Certain Multi-Family Property in Little Elm, Denton County, Texas, dated the same date as this Agreement and made by and between Little Elm EDC and Village at Lakefront (the “Multi-Family Agreement”) together amend and replace the Ground Lease Purchase Agreement dated August 12, 2013, between Little Elm Economic Development Corporation and Palladium USA International, Inc. as amended, and shall take effect only upon execution of both this Agreement and the Multi-Family Agreement.

WITNESSETH:

Subject to the terms, provisions and conditions of this Agreement, and each in consideration of the duties, covenants and obligations of the other hereunder, Landlord does hereby lease, demise, and let the Premises (as hereinafter defined) unto Ground Lessee, and Ground Lessee does hereby lease the Premises from Landlord.

ARTICLE I

CERTAIN DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings respectively indicated:

- 1.1 “**Additional Rent**” is defined in **Section 3.3** of this Agreement.
- 1.2 “**Affiliate**” means: (i) any entity controlled by, controlling or under joint control with an entity or any of the entity’s partners, shareholders or their affiliates; (ii) any entity which is owned in whole or in part, directly or indirectly, by an entity or any of the entity’s partners, shareholders or affiliates, or any entity which is otherwise affiliated with or related to an entity or any of the entity’s partners or shareholders; (iii) any entity which is the successor by merger or otherwise to all or substantially all of an entity’s assets used in connection with the Premises and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iv) any entity to whom an entity or an Affiliate [per clauses (i) through (iii)] provides development, management, operational, financing and/or leasing services in connection with a project on the Land.

1.3 “**Annual Base Rent**” means an amount for each full Lease Year of the Term determined and paid as follows:

- (i) For the first five (5) years of the Term of the Lease, for the Retail/Commercial Development (as defined below), commencing on the Commencement Date, an amount equal to Sixteen Thousand One Hundred Seventeen and no/100 Dollars (\$16,117.00) and paid in equal monthly installments of One Thousand Three Hundred Forty-Three and 08/100 dollars (\$1,343.08) on the first day of each month.
- (ii) Commencing with the sixth (6th) Lease Year and on every fifth (5th) Lease Year thereafter (i.e., 11th, 16th, 21st, etc.), the Annual Rent shall be adjusted, if any, in direct proportion to the increase upon the formula set out below, based on the immediately preceding five (5) Lease Years. Each of the dates on which the Annual Rent is adjusted shall be referred to as an “Adjustment Date.” The adjustment shall be calculated as follows:

For the sixth (6th) through tenth (10th) Lease Years, as to the Retail/Commercial Development alone, the Annual Rent adjustment shall be calculated as the percentage increase in average annual Total Income of the Ground Lessee for such development during the first five (5) year period, over the annualized Total Income calculated in the month the Retail/Commercial Development achieves physical occupancy of at least eighty percent (80%). For the eleventh (11th) through fifteenth (15th) Lease Years, and thereafter after each five (5) year period, escalations, if any shall be calculated as the percentage increase in average annual Total Income of the Ground Lessee for such development during the most recent five (5) year period, over the preceding five (5) year base annual Total Income.

A rental adjustment called for in this section shall never result in a reduction of the Annual Rent from that paid immediately prior to the Adjustment Date.

- 1.4 “**Award**” is defined in **Section 18.1(a)** of this Agreement.
- 1.5 “**Business Days**” means any day other than a Saturday, Sunday or other day on which national banks are required or authorized to be open for business in Dallas, Texas.
- 1.6 “**Commencement Date**” means individually the date the certificate of occupancy for the Retail/Commercial Development is obtained.
- 1.7 “**Date of Taking**” is defined in **Section 18.1(b)** of this Agreement.
- 1.8 “**Default Rate**” is defined in **Section 3.2** of this Agreement.
- 1.9 “**Effective Date**” shall mean the date specified in the first sentence of this Agreement.

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
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- 1.10 “**Event of Default**” means any event or condition designated as an “Event of Default” in **Article XIV** of this Agreement.
- 1.11 “**Hazardous Substances**” is defined in **Section 9.1** of this Agreement.
- 1.12 “**Impositions**” is defined in **Section 8.1(a)** of this Agreement.
- 1.13 “**Imposition Commencement Date**” is defined in **Section 8.1(a)** of this Agreement.
- 1.14 “**Improvements**” means any improvements hereafter developed on the Land by Ground Lessee, or otherwise as authorized by Ground Lessee.
- 1.15 “**Indemnified Parties**” is defined in **Article VII** of this Agreement.
- 1.16 “**Land**” means the approximate the 0.74 acres allocated to the retail/commercial portion of the site, a legal description and/or depiction is attached hereto as **Exhibit A**, and including the following:
- (i) All and singular the rights and appurtenances pertaining to the Land and future Improvements, including, without limitation, all right, title and interest of Landlord in and to adjacent or appurtenant streets, roads, alleys, easements and rights-of-way, open or proposed, and all awards made or to be made in connection therewith (collectively, the “**Appurtenances**”);
 - (ii) If and to the extent the same would not comprise and be considered a part of the Appurtenances described above, all mineral rights, water rights, wastewater rights, utility rights and development rights associated with, or appurtenant to or otherwise allocable to, the Land and/or future Improvements;
 - (iii) All site plans, surveys, soil and substrata studies, water studies, environmental studies or audits, physical inspection reports, asbestos assessments, remedial plans, architectural renderings, plans and specifications, engineering plans and studies, floor plans, landscape plans and other plans diagrams or studies of any kind which relate, in whole or in part, to the Land and the future contemplated Improvements, together with any copyrights thereto; and
 - (iv) All rights, interest, privileges, appurtenances and properties in any way related to the properties described above.

Once the Survey has been obtained and approved by Landlord pursuant to **Section 4.2(b)**, Ground Lessee has the right to substitute the property description contained in the Survey for the property description contained in **Exhibit A**. If any re-subdivision plan(s) of the Land is (are) approved and filed with the Denton County Clerk’s office, Ground Lessee may substitute the platted lots per such approved and recorded subdivision plat(s) for the property description contained in **Exhibit A**.

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- 1.17 **“Lease Year”** means a period of twelve (12) months, with the first Lease Year beginning on the Commencement Date and for each subsequent Lease Year, each period of twelve (12) full calendar months thereafter.
- 1.18 **“Monthly Rent”** is as outlined in **Section 1.3 (i) and (ii)** of this Agreement.
- 1.19 **“Person”** means an individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.
- 1.20 **“Pre-Existing Conditions”** is defined in **Section 9.2** of this Agreement.
- 1.21 **“Premises”** means the Land and any and all buildings, utility facilities, drainage facilities, infrastructure, roads, driveways, curbs, paving, landscaping, signage, entrances, exits, surface parking and other improvements that may currently exist or hereafter be installed on the Land.
- 1.22 **“Prime Rate”** means the rate of interest being charged on the date in question by the Wall Street Journal (or its legal successor) as the “prime rate”.
- 1.23 **“Rent”** herein includes all Annual Base Rent and Additional Rent.
- 1.24 **“Taking”** is defined in **Section 18.1(c)** of this Agreement.
- 1.25 **“Term”** is defined in **Section 2.2** of this Agreement.
- 1.26 **“Transfer”** means any conveyance, transfer, sale, assignment, sublease, Mortgage, pledge, encumbrance or the like, to any Person.
- 1.27 **“Transferee”** means any Person to whom a Transfer is made.
- 1.28 **“Unqualified Transferee”** means and refers to any Person:
- (i) Who is listed on a list of terrorists or terrorist organizations published by the United States government (e.g., the United States Secretary of State’s list of Foreign Terrorist Organizations), as the same are amended and supplemented from time to time;
 - (ii) Who has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001), or any similar prohibitions contained in the rules and regulations of the Office of Foreign Assets Control, as the same are promulgated and amended from time to time; or

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- (iii) Who has been indicted for any offense involving terrorism under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (as it may be amended from time to time, the "USA Patriot Act"), including any Person who commits any crime of conspiracy to commit, or aiding and abetting another Person to commit, a USA Patriot Act offense.

Notwithstanding the foregoing, "Unqualified Transferee" shall not include any Person who:

- (a) Is determined by Ground Lessee, in good faith and upon reasonable inquiry, not to be a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**; and
- (b) Certifies to Landlord and Ground Lessee in writing that such Person is not a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**.

In addition, in no event shall any Institutional Investor (as immediately hereinafter defined) be deemed to be an "Unqualified Transferee." As used herein, the term "Institutional Investor" means and refers to any of the following entities and/or their Affiliates: state and/or Federally chartered lending institutions, life insurance companies who are regularly engaged in the making of permanent real estate loans and/or in the acquisition, holding and/or disposition of commercial real estate development projects, real estate investment trusts (i.e. "REIT's"), pension, annuity and/or investment funds (or trustees or managers of such funds), any publicly traded company, and any branch or instrumentality of any one or more of (1) the United States of America, (2) any state comprising the United States of America, or (3) any city or municipality within any such states described in (2) preceding.

ARTICLE II

COMMENCEMENT AND TERM

- 2.1 **Option Payment.** On or before the Effective Date, Ground Lessee shall pay to Landlord a non-refundable payment in the sum of One Hundred Dollars (\$100.00) (such payment referred to herein as the "**Option Payment**").
- 2.2 **Term of Agreement.** The term of the Agreement (the "Term") shall commence on the Effective Date and shall terminate fifty (50) Lease Years after the Commencement Date for the Retail/Commercial Development. This Agreement will terminate without further notice when the Term specified in this **Section 2.2** expires and any holding over by Ground Lessee after the Term expires will not constitute a renewal of this Agreement or give Ground Lessee any rights under the Agreement in or to the Premises. In connection therewith, Ground Lessee shall have the right at Ground Lessee's expense, to examine and copy all books, records, files, documents, reports, and other information of the Landlord relating to the Premises, including all leases, service agreements, insurance policies, and

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construction and maintenance related documents; provided that such examination and copying shall not interfere with the Landlord's business operations.

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ARTICLE III

RENT

- 3.1 **Annual Base Rent.** For each Lease Year of the Term of this Agreement from and after the Commencement Date (except the first Lease Year), Ground Lessee agrees to pay the applicable Annual Base Rent as herein provided, in lawful money of the United States of America, without deduction, offset prior notice or demand, except as herein provided and except as provided by applicable law, and at such place or places as Landlord may from time to time designate. For each twelve (12) month Lease Year (except for the first Lease Year), Ground Lessee shall pay such rent in monthly installments (hereinafter referred to as “**Monthly Rent**”) in advance on or before the first (1st) day of each month in an amount equal to one-twelfth (1/12) of the applicable Annual Rent.
- 3.2 **Late Charge.** In the event that Ground Lessee shall fail to pay any portion of any installment of Monthly Rent on the date which is ten (10) days after the day on which such installment is due, there shall be added to such unpaid amount a late charge of ten percent (10%) of the amount owed, in order to compensate Landlord for the extra administrative expenses incurred. In addition, from and after the date which is thirty (30) days after the due date the total amount then due shall bear interest at the annual rate (the “**Default Rate**”) which is the Prime Rate, until paid.
- 3.3 **Additional Rent.** All ad valorem taxes, insurance premiums, utility costs and all other sums, liabilities, obligations and other amounts which Ground Lessee is required to pay or discharge pursuant to this Agreement, in addition to Annual Base Rent, together with any interest, penalty, or other sum which may be added for late payment thereof, shall constitute rent hereunder (“**Additional Rent**”). So long as no Event of Default then exists hereunder, Ground Lessee may pay Additional Rent directly to the person entitled thereto, provided that, Ground Lessee shall provide Landlord with written proof of such direct payment within ten (10) days of such payment.
- 3.4 **Place and Manner of Payment.** Subject to the further provisions hereof, the rent hereunder shall be payable to Landlord at the original or changed address of Landlord set forth in **Section 20.1** hereof or to such other person at such address as Landlord may designate from time to time in writing. In addition to other proper methods of payment, all payments of rent and other sums payable to Landlord by Ground Lessee under this Agreement may be made, and shall be deemed to have been properly made so long as actually received by Landlord, by the delivery to Landlord of Ground Lessee’s check, draft or wire transfer in the amount of such payment.
- 3.5 **Payments to Assignees and Third Parties.** If Landlord’s interest in this Agreement shall be assigned to a third party or if any sum accrued or to accrue hereunder shall ever be assigned or if any third party other than Landlord shall ever be entitled to collect such sum, then in any such event written notice shall be given by Landlord to Ground Lessee within thirty (30) days after such assignment.

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- (a) If and when Landlord's interest in this Agreement shall be owned by more than one person, firm, corporation or entity, such parties shall arrange among themselves for the joint execution of a notice specifying one party or agents and an address therefor for the receipt of notices to Landlord under this Agreement and to which all payments to Landlord under this Agreement shall be made, and notices delivered and payments made by Ground Lessee in accordance with such jointly executed notice shall constitute notice and payment to all parties included within the term "**Landlord**". Landlord understands that rent payments shall be made to one party as agent for any multiple parties and such will fulfill Ground Lessee's responsibilities for payments hereunder.
- (b) In the event that there is any dispute as to who shall be entitled to receive any sum payment hereunder, Ground Lessee shall, at its option, have the right to pay such sum into the registry of any court of competent jurisdiction located in Denton County, Texas, in connection with a bill of interpleader or similar proceeding filed by Ground Lessee, naming Landlord and such other claimants as parties. The making of such payment in connection with the filing of such proceeding shall discharge Ground Lessee from any further obligation for payment of the installment or rent so paid or deposited and Landlord and such other claimants shall be responsible for all costs of Ground Lessee in such regard, including attorney's fees.
- (c) In the event Landlord shall have given Ground Lessee notice that a third party is entitled to receive payment of any sum and if Ground Lessee thereafter timely pays such sum to the third party named in such notice, such payment to the third party named in the notice shall fully discharge Ground Lessee of any further obligation for such sum.


ARTICLE IV

DELIVERY OF THE PREMISES

- 4.1 **Delivery of the Premises.** Except as otherwise provided in this Agreement, Ground Lessee hereby accepts the Premises from Landlord in its "AS IS", "WHERE IS" condition without any representation or warranty by Landlord and with all faults. The execution of this Agreement by Ground Lessee shall be prima facie evidence that Ground Lessee has inspected the Premises and is or will be thoroughly familiar with its condition, and Ground Lessee hereby accepts the Premises as being in good and satisfactory condition, and suitable for Ground Lessee's intended purpose. THE PROVISIONS OF THIS ARTICLE IV HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION BY LANDLORD OF, AND GROUND LESSEE DOES HEREBY DISCLAIM, ANY AND ALL WARRANTIES BY LANDLORD, EXPRESS OR IMPLIED, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANOTHER LAW NOW OR HEREAFTER IN EFFECT OR OTHERWISE SPECIFICALLY PROVIDED HEREIN.

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4.2 Deliveries to Ground Lessee.

- (a) Within ten (10) days after the Effective Date, Landlord will deliver to Ground Lessee true and correct copies of any contracts that affect or bind the Premises and any and all topographical maps, engineering studies, environmental reports and studies, soils reports, traffic studies and other similar materials, reports and studies that are in Landlord's possession or control. Furthermore, if requested by Ground Lessee, Landlord shall make a good faith effort to obtain an estoppel letter from each of the Ground Lessees under the Existing Leases, if any, which shall be in a form provided by Ground Lessee. Except as otherwise required by law, all information delivered by Landlord to Ground Lessee pursuant to this **Section 4.2(a)** shall be kept confidential, except that Ground Lessee may disclose such information to Ground Lessee's partners, lenders, officers, lawyers, accountants and employees to the extent necessary to evaluate the Premises.
- (b) Within thirty (30) days after the Effective Date, Landlord will deliver to Ground Lessee, at Ground Lessee's cost, for Ground Lessee's review and approval (i) a current on-the-ground metes and bounds survey of the Property (the "Survey"), and (ii) a commitment (the "**Title Commitment**") for a leasehold policy of title insurance from Chicago Title Company, 14755 Preston Road, Attn: Becky Brusilow, Dallas, Texas 75254 (the "**Title Company**"). At the expense of the Ground Lessee, Landlord will cause the Title Company to issue to Ground Lessee a leasehold policy in an amount of at least One Million Three Hundred Seventy-Two Thousand Eight Hundred Seventy-Five Dollars (\$1,372,875.00) effective as of the Commencement Date. Upon approval of the Survey by Ground Lessee and Landlord, the description of the Land contained in the Survey shall replace the property description currently listed on **Exhibit A**. Notwithstanding anything to the contrary contained herein, Landlord shall have an affirmative obligation to cure any of the following title matters within ninety (90) days of the Effective Date: (i) monetary obligations such as mortgages, liens, etc., and (ii) any encumbrances placed upon the Land by (or at the direction of) Landlord subsequent to the Effective Date of this Agreement.
- (c) Within ten (10) days after the Effective Date, Landlord will deliver to Ground Lessee for Ground Lessee's review and approval copies of any notices from any entity relating to relocation of the utilities serving the Premises.

4.3 Zoning, Easements and Dedications. From time to time throughout the Term of this Agreement, Landlord shall, upon the reasonable request of Ground Lessee, execute such consents, authorizations, applications, site plans, plats, requests, dedications, easements and other documents and instruments as may be necessary or desirable in connection with Ground Lessee's development of the Premises, including, without limitation, zoning applications, utility easements, street dedications and closure instruments, site plans and platting instruments; provided, however, the Land shall not be rezoned to any

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classification other than such zoning classification(s) that permits the development and use of the 0.74 acres of the Premises for retail/commercial development without the prior written consent of Landlord. Ground Lessee shall bear all expenses with respect to the matters described in this **Section 4.3** (including application fees, design and consultant costs and fiscal postings), except for the expenses of professionals engaged by Landlord, if any.

- 4.4 **Restrictions.** At the written request of Ground Lessee, Landlord shall, from time to time, execute and deliver or join in the execution and delivery of such documents as Ground Lessee reasonably considers appropriate, necessary or required to impose on the Premises or release the Premises from, as the case may be, such covenants, conditions and restrictions providing for, inter alia, exclusive uses of the Premises, or any part thereof, the establishment of common and parking areas, the establishment of mutual and reciprocal parking rights and the rights of ingress and egress, and other like matters, for the purpose of the orderly development of the Premises, but only so long as such covenants, conditions or restrictions terminate upon the expiration or termination of this Agreement.
- 4.5 **Refusal to Join.** Landlord shall not unreasonably fail or refuse to take any action required or contemplated pursuant to **Section 4.3** or **Section 4.4**. If Landlord unreasonably fails to execute and return to Ground Lessee any documents or to take action required by **Section 4.3** or **Section 4.4** within thirty (30) days of delivery to Landlord of such document or written request for such action, Landlord shall be in breach of this Agreement, whereupon Ground Lessee shall be entitled to exercise any and all remedies allowed to Ground Lessee by law or equity by reason of such failure, including, without limitation, Ground Lessee may recover from Landlord any actual damages suffered by Ground Lessee as a result of such breach. Notwithstanding the provisions of **Section 20.1**, a written request to Landlord to approve or execute a document imposing covenants, conditions or restrictions against the Premises shall not be deemed delivered until (a) the written request is actually received by an officer of Landlord, and (b) such officer or authorized signatory confirms such receipt in writing (or confirmation of receipt is provided by a third party). The Landlord will act in good faith with respect to the receipt of requests.
- 4.6 **Transfer at Termination.** At the termination of this Lease, except for a termination related to the exercise of Ground Lessee's Option to Purchase according to the provisions of **Section 4.8**, Improvements on the Premises shall automatically become the property of Landlord and Ground Lessee shall have no further interest in such Improvements.
- 4.7 **Sale of Land or Assignment of Landlord's Interest in Lease.** Before Landlord has entered into an agreement regarding the sale of all or any portion of the Land or assignment of all or any portion of the Landlord's interest in the Lease, and in any event prior to any such proposed sale or assignment to a third party that is not an Affiliate of Landlord, Landlord shall give notice to the Ground Lessee of the terms of the proposed sale or assignment ("**Notice of Sale**") and Ground Lessee shall have an option to purchase

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the Property on the terms set out in the Purchase Option in **Section 4.8** below, regardless of the price offered by a prospective purchaser or assignee, and regardless of the time restriction in **Section 4.8**. If Ground Lessee does not exercise its option to purchase within fifteen (15) days after delivery of the Notice of Sale, Landlord shall be free to sell the Land or assign landlord's interest in the Lease on the terms set out in the Notice of Sale, without any requirement of consent on the part of Ground Lessee, but subject to the terms and conditions of this Lease, including Ground Lessee's option to purchase the Land in accordance with **Section 4.8** below.

- 4.8 **Ground Lessee's Option to Purchase.** At any time during the Term of this Agreement if triggered by a Notice of Sale received from Landlord, or, after the first eight (8) Lease Years (the "Lockout Period") at Ground Lessee's sole option, Ground Lessee or its successor may, at its option, give written notice to Landlord that Ground Lessee will purchase the Land from Landlord for the price of Two Hundred Fifty-Seven Thousand Eight Hundred Seventy-Five and 00/100 Dollars (\$257,875.00), by submitting a real estate sale contract(s) to Landlord containing the usual provisions set forth in the standard State Bar of Texas Real Estate Sale Contract form, including the obligation of Landlord to furnish an Owner's Title Policy at Closing at Landlord's expense but expressly excluding any warranty or representation regarding the Premises or Land except the warranty of title. Ground Lessee shall agree to close such purchase within thirty (30) days of the full execution of said contract. Any Base Rent payments made from the time the notice of exercise of the option to purchase is delivered, until the Closing of the acquisition, shall be credited to the purchase price.
- 4.9 **Release of Landlord.** If Landlord sells or transfers all or part of the Premises and as part of the transaction assigns its interest as Landlord in this Lease, then as of the effective date of the sale, assignment, or transfer, Landlord will have no further liability under this Lease to Ground Lessee, except with respect to liability matters that have accrued and are unsatisfied as of that date. Underlying this release is the parties' intent that Landlord's covenants and obligations under this Lease will bind Landlord and its successors and assigns only during and in respect of their respective successive periods of ownership of the fee, provided that Landlord, in such event, complies with the provisions of **Section 4.7** and **Section 4.8** above.

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ARTICLE V

INDEPENDENT COVENANTS

It is the intention of the parties hereto that the obligations of Ground Lessee hereunder shall be separate and independent covenants and agreements, that the Annual Base Rent and all other sums payable by Ground Lessee hereunder shall continue to be payable in all events and that the obligations of Ground Lessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall have been abated, terminated, or modified pursuant to a provision of the Lease.

ARTICLE VI

USE

- 6.1 **Permitted Uses.** The Premises may be used and occupied by Ground Lessee (and its permitted assignees and sub-ground Lessees) for any lawful use or purpose within the zoning requirements for such Land, excluding the following uses: body art or tattoo establishment; retail tobacco store; gaming establishment; sexually oriented business; and full service sit-down restaurant use for the retail/commercial building to be located on the Land.
- 6.2 **Compliance with Laws, etc.** Ground Lessee shall, at Ground Lessee's sole cost and expense, comply with all federal, state, county and municipal laws, ordinances, orders, rule and regulations applicable to the use, condition, structure or occupancy of the Premises. Ground Lessee may not use all or any part of the Premises or any building situated on them for any use or purpose that violates any valid and applicable law, regulation, or ordinance of the United States, the State of Texas, the County of Denton, the Town of Little Elm, or other lawful authority with jurisdiction over the Premises. Ground Lessee is not considered to have violated this provision unless:
- a. Landlord has notified Ground Lessee in a writing specifying the alleged violation;
 - b. There has been a final adjudication by a court of competent jurisdiction that the Ground Lessee has violated the law, regulation, or ordinance specified in the notice;
 - c. The specified law, regulation, or ordinance is valid and applies to the premises; and
 - d. Ground Lessee failed to cure the specified violation within a reasonable period of time.

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ARTICLE VII

INDEMNITY

Ground Lessee shall indemnify, protect and save Landlord, its successors and assigns, shareholders, trustees, directors, employees, and officers ("**Indemnified Parties**"), harmless from and against, and shall reimburse such parties for all liabilities, obligations, losses, claims, damages, penalties, costs, charges, judgments and expenses including without limitation, reasonable attorneys' fees and expenses which may be imposed upon or incurred or paid by or asserted against such Indemnified Parties by reason of or in connection with any of the following occurring during the Term of this Agreement (except to the extent caused by the negligence or misconduct of such Indemnified Parties):

- (a) any accident, injury, death or damage to any person or property occurring in, on or about the Premises;
- (b) all construction and any changes, alterations, repairs and anything done in, on or about the Premises or any part thereof in connection with such changes, alterations and repairs;
- (c) any negligent act on the part of Ground Lessee or any of its agents, contractors, servants, employees, sub-Ground Lessees, licenses or invitees;
- (d) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof; or
- (e) the condition of the Premises, or of any buildings or other structures now or hereafter situated thereon, or the fixtures or personal property thereon or therein.

ARTICLE VIII

IMPOSITIONS, UTILITIES, MAINTENANCE, CONSTRUCTION

8.1 Impositions.

- (a) Subject to Ground Lessee's right to contest such charges pursuant to **Section 8.1 (c)** below, from and after the Commencement Date (hereinafter referred to as the "**Imposition Commencement Date**"), Ground Lessee shall pay all real estate taxes, assessments for local improvements, water, and storm and sanitary sewer rates and charges (other than ordinary charges for utility services as provided in **Section 8.2**), licenses and permit fees, and other governmental levies and charges, which are assessed, levied, confirmed, imposed, or become a lien upon the Premises (or any portion thereof), or become payable during the Term of this Agreement (the "**Impositions**"), payment thereof to be made before any fine, penalty, interest, or cost may be added thereto for the nonpayment thereof;

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provided, however, that any Imposition relating to a fiscal period of the taxing authority a portion of which is included within the Term hereof and a portion of which is included in a period of time before the Imposition Commencement Date or after the expiration of the Term (for reasons other than Ground Lessee's default hereunder) shall be adjusted between Landlord and Ground Lessee as of the date for payment of Impositions occurring during the first Lease Year or such expiration date, as applicable. If Ground Lessee does not timely pay such Impositions (or contest such payment pursuant to **Section 8.1 (c)** below) Landlord may pay the same and such amount so paid shall be due and payable to Landlord as Additional Rent upon written demand therefor by Landlord. Ground Lessee shall provide Landlord with written evidence of its payment of any Impositions within fifteen (15) days after request from Landlord.

- (b) Nothing hereinabove contained shall require Ground Lessee to pay any franchise, estate, inheritance, succession, capital levy, stamp levy, stamp tax, margin tax, or transfer tax of Landlord or any income, excess profits, or revenue tax, or any other tax, assessment, charge, or levy based on or measured by the gross income or capital stock of Landlord or upon any rental payable by Ground Lessee under this Agreement. To the extent received by Landlord, Landlord covenants to forward promptly to Ground Lessee any and all notices or statements relating to taxes, assessments, fees, water, sewer, or other rent rate or charge, excise, levy license fee, permit fee, inspection fee, or other authorization fee. Ground Lessee shall furnish to Landlord copies of receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Landlord evidencing payment of the Impositions before any fine, penalty, interest or cost may be added thereto for nonpayment thereof. The certificate, advice or bill of nonpayment of any Imposition from the appropriate official designated by law to make or issue the same or to receive payment of any Imposition shall be prima facie evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificate, advice, or bill of nonpayment.
- (c) So long as there is then no uncured default hereunder, Ground Lessee may contest the collection or assessment of any Imposition, tax, assessment, fee, water or sewer charge or rate, excise, or levy by legal proceedings or other appropriate action. If Ground Lessee so elects to contest such amounts, Ground Lessee shall, prior to the prosecution or defense of any such claim, notify Landlord in writing of its decision to pursue such contest and, to the extent procedurally required, Ground Lessee shall pay the amount in question prior to initiating the contest or otherwise shall provide adequate security to Landlord prior to initiating the contest.

8.2 **Utilities.** From and after the Commencement Date, Ground Lessee shall be responsible for and promptly pay all charges incurred for all utility services to the Premises, including, but not limited to, telephone service, sanitary and storm sewer, water, natural gas, light, power, heat, steam, communications services, garbage collection, and electricity arising out of Ground Lessee's use, occupancy, and possession of the Premises during the Term of this Agreement. Ground Lessee shall also pay for all maintenance upon such utilities. In no

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event shall Landlord be liable for any interruption or failure of utility service to the Premises, except to the extent caused by Landlord's negligent acts or omissions.

- 8.3 **Maintenance Repairs.** From and after the Commencement Date, subject to the provisions of **Article XVII** (Destruction and Severability) and **Article XVIII** (Condemnation) below relating to destruction of or damage to the Premises, Ground Lessee agrees that at its own expense it will keep and maintain the Premises, including, without limiting the generality of the foregoing, all improvements and landscaping (including mowing of grass and care of shrubs), in good, clean, condition and repair. Prior to the expiration or termination of this Agreement, Ground Lessee may remove from the Premises all of the personal property and equipment located thereon.
- 8.4 **Rules Governing Construction, Additions, and Alterations.** The following rules govern construction, additions, and alterations of buildings or other improvements on the Premises:
- a. Ground Lessee and any Sublessee must, at its own expense, engage a licensed architect or engineer to prepare plans and specifications for constructing any building or improvements or additions or alterations to any buildings or improvements and submit the same to the Landlord for approval in advance of any such construction, which such approval shall not be unreasonably withheld or delayed.
 - b. The following items do not require submission to, and approval by Landlord:
 - (i) Minor repairs and alterations necessary to maintain existing structures and improvements in a useful state of repair and operation.
 - (ii) Changes and alterations required by an authorized public official with authority or jurisdiction over the buildings or improvements, to comply with legal requirements.

ARTICLE IX

HAZARDOUS SUBSTANCES

- 9.1 **Environmental Laws.** For purposes of this **Article IX**, "**Environmental Laws**" means the State and Federal laws which regulate Hazardous Substances (as hereinafter defined), and material, waste, or pollutants, in quantities or concentrations the generation, storage, disposal, handling, release (or threatened release), treatment, discharge, or emission of which is regulated, prohibited, or limited under: (i) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984, as now or hereafter amended ("**RCRA**") (42 U.S.C. Sections 6901 et seq.), (ii) the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, as now or hereafter amended

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("CERCLA"), (42 U.S.C. Sections 9601 et seq.), (iii) the Clean Water Act, as now or hereafter amended ("CWA") (33 U.S.C. Sections 1251 et seq.), (iv) Toxic Substances and Control Act, as now or hereafter amended ("TSCA") (15 U.S.C. Section 2601 et seq.), (v) the Clean Air Act, as now or hereafter amended ("CAA") (42 U.S.C. Section 7401 et seq.), (RCRA, CERLA, CWA, TSCA and CAA are collectively referred to herein as the "**Federal Toxic Waste Laws**"), (vi) any local, state or foreign law, statute, regulation, or ordinance analogous to any of the Federal Toxic Waste Laws, and (vii) any other federal, state, local, or foreign law (including any common law), statute, regulation, or ordinance regulating, prohibiting, or otherwise restricting the placement, discharge, release, threatened release, generation, treatment, or disposal upon or into any environmental media of any substance, pollutant, or waste which is now or hereafter classified or considered to be hazardous or toxic. All of the laws, statutes, regulations and ordinances referred to in subsections (vi) and (vii) above, together with the Federal Toxic Waste Laws are collectively referred to herein as "**Toxic Waste Laws**". The term "**Hazardous Substances**" shall also include, without limitation the following in quantities or concentrations which are regulated by State of Federal Environmental Laws, (a) gasoline, diesel fuel, fuel oil, motor oil, waste oil, and any other petroleum hydrocarbons, including any additives or other by-products associated therewith, (b) asbestos and asbestos-containing materials in any form, (c) polychlorinated biphenyls, and (d) any substance the presence of which on the Premises: (x) requires reporting or remediation under any Toxic Waste law; (y) causes or threatens to cause a nuisance on the Premises or poses or threatens to pose a hazard to the health or safety of persons on the Premises; or (z) which, if it emanated or migrated from the Premises, could constitute a trespass, nuisance or health or safety hazard to persons on adjacent property.

- 9.2 **Hazardous Substances on Premises Prohibited.** Ground Lessee shall not conduct, permit, or authorize Hazardous Substances on the Premises without prior written authorization by Landlord, except for such quantities which are routinely utilized in connection with the lawful use of the Premises, all of which are to be stored, used, handled, and disposed of in full compliance with all Toxic Waste Laws. Nothing contained herein shall be construed as imposing upon Ground Lessee any responsibility for any Hazardous Substances located in, on, or under the Land on or prior to the Effective Date (the "**Pre-Existing Conditions**"). If Ground Lessee discovers any Pre-Existing Conditions after the Effective Date, Ground Lessee shall have the option of either remediating such Pre-Existing Condition to the extent required by the Toxic Waste Laws and offsetting the cost thereof (including costs of investigations, reports, studies and consultants) against the Annual Base Rent, or terminating this Agreement by giving Landlord at least thirty (30) days prior written notice of such termination. However, in no event will Landlord have any direct responsibility to Ground Lessee for any unknown Pre-Existing Condition.

9.3 **Compliance with Toxic Waste Laws.**

- (a) Ground Lessee shall, at its sole cost and expense, comply with all applicable Toxic Waste Laws, provided that nothing contained herein shall be construed as

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imposing upon Ground Lessee any responsibility for compliance with applicable Toxic Waste Laws in respect of Pre-Existing Conditions.

- (b) Notwithstanding anything contained herein to the contrary, Ground Lessee shall indemnify and hold harmless Landlord from any and all liabilities, claims, causes of action, penalties, fines, costs, expenses, reasonable attorneys' fees, remedial or response costs, investigatory costs and other similar expenses arising out of or otherwise attributable to any violation by Ground Lessee or the Premises of any Toxic Waste Law, unless such violation is the result of Pre-Existing Conditions, or has migrated to the Land from somewhere other than the Land or its improvements. Such indemnity obligation shall survive any termination or expiration of this Agreement.

- 9.4 **Landlord's Warranties.** Except for pre-existing conditions generated at 111 Main Street, Little Elm, Texas and referenced in a Reed Engineering Report, dated May 22, 2013, Landlord further represents and warrants that to the best of Landlord's actual knowledge: (i) no leak, spill, discharge, emission or disposal of hazardous or toxic substances has occurred on or about the Land; (ii) the soil, groundwater, soil vapor on or under the Premises is free of toxic or hazardous substances as of the date hereof; and (iii) that there has been no violation of any Toxic Waste Law.

ARTICLE X

INSURANCE

10.1 Ground Lessee's Insurance.

- (a) Ground Lessee shall, at its sole cost and expense, obtain and maintain insurance upon and relating to the Premises by "broad peril" form of insurance policy(ies) in amounts equal to 80% of the full insurable replacement value of the improvements located on the Land. The requirement for broad peril coverage shall be met through "builder's risk" insurance coverage during the period of construction of improvements on the Land. All such policies of insurance shall insure Ground Lessee, Landlord, and Ground Lessee's mortgagee, as their interests may appear. Ground Lessee may meet its obligations hereunder if a Sublessee supplies such insurance meeting the requirements of this subsection at its sole cost and expense.
- (b) Ground Lessee shall, at its sole cost and expense, obtain and maintain a commercial General Liability Insurance policy and in the event that construction is commenced on the Premises, Construction Liability Insurance, insuring Landlord, Ground Lessee's mortgagee and Ground Lessee against all claims, demand, or actions arising out of or in connection with injury to or death of a person or persons and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the Premises, the limits of such policy or policies to be in such amounts as may be reasonable

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and customary in Denton County, Texas for similar properties with the same type of improvements as may from time to time be situated upon the Land but not less than \$500,000.00 for property damage, \$1,000,000.00 for one person and \$2,000,000 for one accident for personal injury. Ground Lessee may meet its obligations hereunder if a Sublessee supplies such insurance meeting the requirements of this subsection at its sole cost and expense.

- (c) All policies of insurance shall be issued by an insurance company or companies having a General policyholder's rating of not less than A as stated in the most current available Best's insurance reports (or comparable rating service if Best's reports are not currently being published), licensed to do business in the State of Texas. All policies of insurance shall be in form and substance reasonably satisfactory to Landlord. Ground Lessee shall deliver to Landlord certificates or copies of all policies of required insurance fifteen (15) days prior to the expiration of each of policies required hereunder. Ground Lessee shall furnish Landlord with a certificate of insurance in force or replacement coverage and meeting the standards hereinabove provided, all as required by this Agreement. All such policies shall contain a provision that such policies will not be canceled or materially amended, including any reduction in the scope or limits of coverage, without ten (10) days' prior written notice to Landlord. In the event Ground Lessee fails to maintain, or cause to be maintained, or deliver and furnish to Landlord certified copies of policies of insurance required by this Agreement, Landlord may procure such insurance for the benefit only of Landlord for such risks covering Landlord's interests, and Ground Lessee will pay all premiums thereon within thirty (30) days after demand by Landlord. In the event Ground Lessee fails to pay such premiums (or reimburse Landlord) upon demand the amount of all such premiums shall bear interest at the Default Rate.

- 10.2 **Waiver of Subrogation.** Notwithstanding anything contained in this Agreement to the contrary, each party hereto hereby waives any and every claim which arises or may arise in its favor and against the other party hereto, or anyone claiming through or under them, by way of subrogation or otherwise, during the Term for any and all loss of, or damage to, any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom such other party may be responsible), which loss or damage is covered, or is required by this Agreement to be covered, by valid and collectible fire and extended coverage insurance policies (but not as to loss or damage covered by self-insurance as permitted hereby). Such waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any loss or damage to property of the parties hereto.

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ARTICLE XI

ASSIGNMENT AND SUBLETTING

- 11.1 **Right to Sublet.** Ground Lessee may from time to time sublet (or sub-ground lease) the Premises in whole or in part at any time and from time to time, without Landlord's consent. The making of any such sublease or ground lease shall not release Ground Lessee from, or otherwise affect in any manner, any of Ground Lessee's obligations hereunder.

Notwithstanding anything contained herein to the contrary, Ground Lessee may at any time assign this Agreement to an Affiliate without the prior written consent of Landlord.

- 11.2 **Right to Transfer.** Ground Lessee may, without the prior written consent of Landlord, Transfer its interest in and under this Agreement, in whole or in part, for any use permitted under Section 6.1 above, provided however Ground Lessee may not transfer to an Unqualified Transferee. Ground Lessee shall not be relieved of liability for the performance of its obligations under this Agreement by reason of any such Transfer, with respect to the interest Transferred unless Ground Lessee delivers to Landlord a written instrument, in recordable form, pursuant to which the Transferee assumes, from and after the effective date of the Transfer, all of the obligations of Ground Lessee in respect of the interest Transferred; provided, however, that in the event the Transfer occurs by way of the foreclosure of a Deed of Trust, Ground Lessee shall thereupon be relieved of any further liabilities or obligations accruing from and after the date of foreclosure, regardless of whether the Deed of Trust (or other Person acquiring Ground Lessee's interest in and under this Agreement) assumes Ground Lessee's obligations hereunder. In the event of any transfer by Ground Lessee hereunder, the Transferee shall be entitled to the notices and rights conferred on the Ground Lessee under **Section 4.7** and **4.8** and shall be burdened by the obligations provided to the Landlord under **Section 4.9**.
- 11.3 **Transfer Restrictions.** Ground Lessee shall not, without first obtaining the prior written consent of Landlord, transfer its interest in or under this Agreement, in whole or in part, to any Unqualified Transferee as defined in **Section 1.28**.

ARTICLE XII

QUIET ENJOYMENT

- 12.1 **Quiet Enjoyment.** Provided Ground Lessee pays the rent payable hereunder as and when due and payable and keeps and fulfills all of the terms, covenants, agreements and conditions to be performed or observed by Ground Lessee hereunder, Ground Lessee shall at all times during the Term have quiet and peaceable enjoyment of the Premises.
- 12.2 **Warranty of Title.** Landlord represents and warrants that Landlord is the sole owner of fee simple title in and to the Land, subject only to the matters set forth in the Title Commitment, and that Landlord, subject to Town Council of the Town of Little Elm, alone has the full and sole right to lease the Premises to Ground Lessee without the consent or

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joinder of any other party (which consent or joinder will have been obtained at the time of execution of this Ground Lease Purchase Agreement).

ARTICLE XIII

HOLDOVER

Upon the termination of this Agreement (whether by the expiration of the Term of this Agreement or otherwise) Ground Lessee must immediately vacate the Premises, but if Ground Lessee fails to do so then, without the execution of a new lease by Landlord and Ground Lessee, Ground Lessee, at the option of Landlord, shall immediately become a holdover month-to-month Ground Lessee of the Premises at one hundred fifty percent (150%) of the Monthly Rent effective in the month immediately preceding the termination of this Agreement, plus all Additional Rent and other sums payable by Ground Lessee hereunder, and under all other terms, conditions, provisions, and obligations of this Agreement.

ARTICLE XIV

DEFAULT AND REMEDIES

14.1 **Events of Default.** The occurrence of one or more of the following events shall constitute an event of default (each being referred to as an “**Event of Default**”) pursuant to the terms of this Agreement:

- (a) The failure of Ground Lessee to comply with or to observe any terms, provisions, or conditions of this Agreement performable by and obligatory upon Ground Lessee, excluding the rent and other payment provisions hereof, within thirty (30) days after written notice by Landlord plus such additional time as is needed to cure the same so long as Ground Lessee (or its mortgagee) has commenced such cure within such 30-day period and such cure thereafter is continuously and diligently undertaken by Ground Lessee (or its mortgagee);
- (b) From the Commencement Date, the failure of Ground Lessee to pay when due any portion of any installment of Monthly Rent or any other monetary charge due from Ground Lessee hereunder and such failure continues for thirty (30) days after written notice thereof from Landlord; provided, however, Landlord shall not be required to give such 30 day notice, and Ground Lessee shall not be entitled to same, more than two (2) times during any twelve (12) month period, and any subsequent failure of Ground Lessee to pay a monetary charge hereunder during such 12-month period shall be an Event of Default upon the occurrence thereof without any further notice whatsoever to Ground Lessee;
- (c) The taking of all of Ground Lessee’s leasehold estate by execution or other process of law other than as provided in **Article XVIII**.

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- 14.2 **Landlord Remedies.** Upon the occurrence of any Events of Default enumerated in **Section 14.1** hereof, but subject to the rights of mortgagees and their designees as provided in **Article XV** hereof, Landlord shall have the right to pursue and enforce any and all rights and remedies available to Landlord hereunder or at law or equity, including, without limitation, (i) the right to terminate this Agreement by written notice to Ground Lessee and the expiration of any applicable cure periods as provided in this Ground Lease, and (ii) the right to terminate Ground Lessee's right of possession of the Premises (without terminating this Agreement).
- 14.3 **No Waiver by Landlord.** Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or equity, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions, and covenants herein contained. Landlord's acceptance of rent following an Event of Default hereunder shall not be construed as Landlord's waiver of any future Event of Default. No waiver by Landlord of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such default.
- 14.4 **Attorney's Fees.** In any case where Landlord or Ground Lessee employs attorneys to protect or enforce its rights hereunder and prevails, then the non-prevailing party agrees to pay the other party reasonable attorney's fees and costs of suit incurred by the prevailing party.
- 14.5 **Bankruptcy of Ground Lessee.** The bankruptcy or insolvency of Ground Lessee, an assignment by Ground Lessee for the benefit of Ground Lessee's creditors, the appointment of a trustee, liquidator or receiver for Ground Lessee, reorganization by Ground Lessee, an admission by Ground Lessee of its inability to pay its debts as the same become due and/or the inability to pay its debts as the same become due and/or the seeking or granting of any order of relief in any proceeding commenced by or against Ground Lessee under any present or future federal or state bankruptcy, insolvency or creditors' relief statute shall not affect this Agreement so long as all covenants of Ground Lessee are continued in performance by Ground Lessee or its successors or legal representatives. Furthermore, with respect to the rights of a mortgagee, all notice of default and the periods for curing the same shall be extended for such period of time as Ground Lessee and/or its interest under this Agreement are involved in any bankruptcy, receivership, custodial or other legal proceeding which prevents such mortgagee from curing any such default and/or obtaining title to the interest of Ground Lessee under this Agreement and/or actual possession of the Premises, provided that during such interim period the mortgagee under a mortgage of the leasehold estate, or its designee, shall pay/or cause to be paid all rents, taxes, assessments, and insurance premiums provided for hereunder as and when they become due under the terms of this Agreement.

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- 14.6 **Default of Landlord.** To the extent Landlord has obligations under this Ground Lease, if Landlord defaults in its obligations, Ground Lessee shall provide Landlord with thirty (30) days' notice within which to cure such default. In the event Landlord has not cured such default within the applicable time, then Ground Lessee shall have the right to pursue and enforce any and all rights and remedies available to Ground Lessee hereunder, or at law or equity, including specific performance.

ARTICLE XV

FINANCING

- 15.1 **Right to Finance.** Ground Lessee shall from time to time and at any time have the right to encumber by one or more mortgages, deeds of trust, security agreements, or other instruments in the nature thereof, as security for one or more loans, indebtednesses or obligations, Ground Lessee's right to use and occupy the Premises, the leasehold estate created hereby, all right, title and interest in and to any improvements at any time located on or partially on the Premises, and any other property so affixed to said land, buildings or improvements as to be a part thereof. Any such indebtedness or obligation and any such mortgage, deed of trust or security agreement securing same shall be for such amount and on such other terms and conditions as Ground Lessee may agree to in its sole discretion; provided that any such mortgage, deed of trust, or security agreement shall at all times be subject to the terms and provisions of this Agreement and the rights, titles and interest of Landlord arising by virtue of this Agreement. **IN NO EVENT WILL LANDLORD BE REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND FOR FINANCING OBTAINED BY GROUND LESSEE UNDER THIS SECTION 15.1, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF GROUND LESSEE).**
- 15.2 **Notice to Mortgagee.** If at any time after execution and recordation in Denton County, Texas, of any such mortgage, deed of trust, or other instrument in the nature thereof, Ground Lessee or the mortgagee therein shall notify Landlord in writing that any such mortgage or deed of trust has been given and executed by Ground Lessee, and shall furnish Landlord with the address to which such mortgagee desires copies of notices to be mailed (or designate some person or corporation as the agent and/or representative of such mortgagee for the purpose of receiving copies of notices), Landlord hereby agrees that Landlord will thereafter, in addition to any other notice Landlord shall be required by this Agreement to deliver to such mortgagee, mail to each such mortgagee or agent thereof, at the address so given, by registered mail, postage prepaid, return receipt requested, and at the same time that such notice is placed in the mail or otherwise delivered to Ground Lessee, duplicate copies of any and all notices in writing which Landlord may from time to time give or serve upon Ground Lessee under and pursuant to the terms and provisions of this Agreement, including, but not by way of limitation, any notices of default required to be sent by virtue of **Article XIV** hereof. Landlord shall also notify each such mortgagee of any proposed action requiring the prior approval of such mortgagee hereunder and any casualty or condemnation loss.

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15.3 **Right to Cure.** Any such mortgagee, at the option of such mortgagee, acting either directly or indirectly through a designee, may pay any of the rents due hereunder or may affect any insurance, or may pay any taxes and assessments, or may make any repairs and improvements, or may make any deposits, or may do any other act or thing or make any other payment required of Ground Lessee by the terms of this Agreement, or may do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions of this Agreement, or to prevent the forfeiture of this Agreement; and all payments so made and all things so done and performed by such mortgagee or designee shall be effective to prevent a forfeiture of the rights of Ground Lessee hereunder as the same would have been if timely done and performed by Ground Lessee instead of by any such mortgagee or designee. The mortgagee shall be given a separate fifteen (15) day written notice of Ground Lessee's failure to cure an Event of Default after any notice and period to cure, during which fifteen (15) day period the mortgagee shall have the right to cure and monetary default, and if any non-monetary default cannot reasonably be cured in this fifteen (15) day period, the right to commence and thereafter diligently and continuously pursue the required cure to completion.

15.4 **Option for New Lease.** Upon termination of this Agreement, for any reason, other than expiration of its Term, Landlord shall deliver written notice of such termination to any mortgagee about which Landlord has been notified pursuant to Section 15.2 hereof and such mortgagee or its designee shall have the option, within forty-five (45) days after receipt of written notice of such termination, to elect to receive from Landlord a new lease of the Premises for the unexpired balance of the Lease Term, or any renewal and extension hereof, on the same terms and conditions as in this Agreement set forth, and Landlord agrees to execute such new lease provided such mortgage holder or designee:

- (a) shall forthwith cure any monetary default of Ground Lessee;
- (b) shall undertake forthwith to remedy any non-monetary default of Ground Lessee, excluding those which by their nature are incapable of cure by any other person or corporation; and
- (c) shall thereafter observe and perform all covenants and conditions in such Lease contained on the part of Ground Lessee to be observed and performed (including the payment of rents hereunder).

In the event that more than one (1) mortgagee or designee shall exercise the foregoing option for a new lease, Landlord shall enter into a new lease with the mortgagee, or the designee of such mortgagee, having the highest priority among those mortgagees which exercised the option.

15.5 **No Liability.** No such mortgagee of the rights or interests of the Ground Lessee or its designee hereunder shall be or become liable to Landlord as an assignee of this Agreement or otherwise, unless such mortgagee or designee expressly assumes by written instrument such liability, and no assumption shall be inferred from or result from

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foreclosure or other appropriate proceedings in the nature thereof or as the result of any other action or remedy provided for by such mortgage or deed of trust or other instrument or from a conveyance from Ground Lessee pursuant to which the purchaser at foreclosure or grantee shall acquire the rights and interest of Ground Lessee under the terms of this Agreement.

15.6 **Modifications.**

- (a) Landlord shall not accept any surrender of or agree to any termination of or enter into any modification or amendment of this Agreement without the prior written consent thereto by any such mortgagee, and any attempt to do so without such written consent shall be void and of no force and effect.
- (b) Landlord agrees to modify this Agreement from time to time for the purpose of incorporating therein such additional mortgagee protective provisions as may be reasonably requested by any such mortgagee, provided such modifications are reasonably acceptable to Landlord and not inconsistent with the basic transaction agreed to by the parties, including, without limitation, any of the monetary terms of this Agreement, provided that **IN NO EVENT WILL LANDLORD BE REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND FOR FINANCING OBTAINED BY GROUND LESSEE UNDER THIS SECTION 15.6, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF GROUND LESSEE).**

15.7 **Rights Cumulative.** All rights of a leasehold mortgagee under this Agreement shall be cumulative.

15.8 **Landlord's Right to Finance.** Landlord may at any time, without the prior written consent of Ground Lessee, encumber by mortgage, deed of trust, security agreement or other instrument in the nature thereof, any of Landlord's right, title or interest in the Land and this Agreement; provided that any such mortgage, deed of trust or other instrument in the nature thereof shall at all times be, and shall expressly state that it is, subject and subordinate to this Agreement and the rights, titles and interests of Ground Lessee and any mortgagee of Ground Lessee arising by virtue of this Agreement.

ARTICLE XVI

ESTOPPEL CERTIFICATES

Landlord and Ground Lessee will, at any time and from time to time, upon not less than thirty (30) days' prior written request by the other party, execute, acknowledge and deliver to each other or to any person whom the requesting party may designate, a certificate, certifying as follows: (i) that this Agreement is unmodified and in full effect (or setting forth any modifications and that this Agreement is in full effect as modified); (ii) the Annual Base Rent payable and the dates to which the Annual Base Rent has been paid and whether other sums, including Additional Rent payable hereunder, have been paid; (iii) any default of which such

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party may have knowledge; (iv) the commencement and expiration dates of this Agreement; and (v) such other matters as may reasonably be requested by either of the parties hereto. Any such certificate may be relied upon by any mortgagee or prospective purchaser or prospective mortgagee of the Premises.

ARTICLE XVII

DESTRUCTION AND SEVERABILITY

17.1 **Casualty.** In the event the Premises shall be wholly or partially damaged or destroyed by fire or other casualty, Ground Lessee may, at its option and expense (utilizing proceeds of the insurance policies carried by Ground Lessee pursuant to Article X hereof), cause such damage to be repaired or restored to the condition of the Premises which existed immediately prior to such casualty or construct other new improvements on the Land. In the event that Ground Lessee elects not to restore the damaged improvements or build new improvements, Ground Lessee shall demolish the remaining portions of the damaged structure as necessary or appropriate and remove all debris destruction from the Premises within nine (9) months after the appropriate governmental authorities have consented to the removal of the debris. During the period of repair or restoration, Annual Base Rent shall not be reduced, but Ground Lessee may use proceeds of rent insurance to pay Annual Base Rent. In the event Ground Lessee elects not to restore the damaged improvements or build new improvements, Ground Lessee shall have the option to continue to pay the Annual Base Rent during the remaining Term of the Ground Lease, or may provide written notice to Landlord that Ground Lessee elects to terminate the Ground Lease, at which point the Ground Lease shall terminate.

ARTICLE XVIII


CONDEMNATION

18.1 **Definitions.** For purposes of this **Article XVIII**, the following terms shall have the respective meanings set forth below:

- (a) **“Award”** means the amount of any award made, consideration paid, or damages ordered as a result of a Taking less any reasonable costs in obtaining such award, such as reasonable legal fees and costs, consultant fees, appraisal costs.
- (b) **“Date of Taking”** means the date upon which title to the Premises, or a portion thereof, passes to or vests in the condemnor or the effective date of any order for possession if issued prior to the date title vests in the condemnor.
- (c) **“Taking”** means a taking of the Premises or any damage related to the exercise of the power of eminent domain and including a voluntary conveyance to any agency, authority, public utility, person, or corporate entity empowered to condemn property in lieu of court proceedings.

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18.2 **Total Condemnation.** If the entire Premises shall be taken as the result of a Taking, this Agreement shall terminate and expire as of the Date of Taking.

18.3 **Partial Condemnation.** If a portion of the Premises should be taken as a result of a Taking, and the remaining part of the Premises is unsuitable, in Ground Lessee's reasonable opinion, for the continued economic conduct of Ground Lessee's business, Ground Lessee shall have the right to terminate this Agreement by giving Landlord written notice thereof no later than thirty (30) days after the Date of Taking, whereupon Annual Base Rent, Additional Rent and all other charges shall be terminated as to the unexpired portion of this Agreement, effective as of the Date of Taking.

If Ground Lessee does not exercise its right to terminate as set forth above or if such partial Taking does not, in Ground Lessee's discretion, render the remaining part of the Premises unsuitable for the continued economic conduct of Ground Lessee's business, this Agreement shall not terminate; however, the Annual Base Rent payable hereunder during the unexpired portion of this Agreement shall be reduced in proportion to the area of the Land taken, effective as of the Date of Taking; further provided, however, that if Landlord and Ground Lessee do not agree on the proportionate amount of reduction of Annual Base Rent, such amount shall be determined in accordance with the appraisal procedures described in **Section 18.5**. Following such partial Taking, Ground Lessee shall make all necessary repairs or alterations necessary to make the Premises an architectural whole, if Ground Lessee has not elected to terminate this Agreement.

18.4 **Condemnation Proceeds.** All Awards shall be paid to Landlord and Ground Lessee in the following shares:

- (i) Ground Lessee shall receive those portions of the Award that are specifically attributable to (a) the value of, and paid as compensation for, Ground Lessee's interest in the Premises, including all Improvements hereafter constructed by Ground Lessee thereon and any of Ground Lessee's personal property taken, (b) removal and relocation of Ground Lessee's personal and trade fixtures, (c) anticipated or lost profits or damages caused to Ground Lessee's business or any special damages to Ground Lessee, (d) the bonus value of Ground Lessee's leasehold estate, and (e) any severance damages awarded by reason of the partial Taking of any Improvements.
- (ii) Landlord shall receive from the Award those portions of the Award that are attributable to (a) the value of, and paid as compensation for, its fee interest in the Land (as encumbered by the Lease), and (b) the reversionary interest in any Improvements located on the Land; and
- (iii) Ground Lessee shall use whatever portion of the Award it receives by reason of a partial taking of Improvements to pay the cost of enclosing any Improvements that are not taken if the partial taking caused such Improvements to be no longer fully enclosed.

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In the event of a dispute between Landlord and Ground Lessee as to the fair market value of the Land and any Improvements before or after the Taking, or as to the proper allocation of any Award as required herein, then either Landlord or Ground Lessee may submit the issue to determination by appraisers pursuant to **Section 18.5**, and such determination shall be binding upon the parties.

- 18.5 **Appraisal.** Not more than thirty (30) days after any Taking, Landlord and Ground Lessee shall each appoint one independent MAI appraiser to determine the value of the interest of Landlord or Ground Lessee, or both, as the case may be, and notice of such appointment shall be given to the other party. Such appraisers shall be appointed and such appraisals shall be made in the following manner: Landlord and Ground Lessee shall each select an independent, experienced and duly licensed MAI real estate appraiser and the two (2) appraisers shall thereupon be instructed to select and designate a third (3rd) appraiser, who shall be engaged by both Landlord and Ground Lessee. If either party shall fail to so designate an appraiser, the other party shall have the right to petition the District Court for the County of Denton, Texas to appoint such an appraiser on behalf of the defaulting party, which appraiser shall act on behalf of such party and at such party's sole cost and expense. In the event that such appraisers shall fail to agree on an appraised value of the interest, Landlord and Ground Lessee agree that the value of the interest shall be established as the average price represented by the two (2) appraisal reports most closely in agreement as to the value of the interests.
- 18.6 **Voluntary Conveyance.** Nothing in this article prohibits Landlord from voluntarily conveying all or part of the premises to a public utility agency, or authority under threat of a taking under the power of eminent domain. Any such voluntary conveyance will be treated as a taking within the meaning of this article.

ARTICLE XIX

EXISTING LEASES

- 19.1 **Assignment of Existing Leases.** As of the Effective Date, Landlord shall assign the Existing Leases, if any, to Ground Lessee; provided, however, prior to the Commencement Date, Landlord shall continue to operate, collect rents and pay expenses with respect to the Existing Leases (but only to the extent that such Existing Leases have not theretofore terminated). Furthermore, from and after the Effective Date, Landlord shall not, without the prior written consent of Ground Lessee (which consent may be granted or withheld in Ground Lessee's sole and absolute discretion), enter into any new leases or amend, terminate or extend any of the Existing Leases. Any termination/buyout fees to be paid to terminate any Existing Lease shall be paid by Ground Lessee. Any rental amounts under the Existing Leases shall be pro-rated as of the Commencement Date. Landlord shall transfer to Ground Lessee all security deposits held by the Landlord as respects any Existing Lease on the Commencement Date.

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ARTICLE XX

GENERAL PROVISIONS

- 20.1 **Notice.** Any notice, request, or other communication (hereinafter severally and collectively called "Notice") in this Agreement provided for or permitted to be given, made or accepted by either party to the other must be in writing, and may, unless otherwise in this Agreement expressly provided, be given or be served by depositing the same in the United States mail, postpaid and certified and addressed to the party to be notified, with return receipt requested. Notice given in any manner as provided in this **Section 20.1** shall (a) as to notice given to or served by depositing the same in the United States mail, as aforesaid, shall be effective three (3) days after depositing the same in a regularly maintained receptacle for pickup and delivery of United States mail and (b) as to Notice given or served by any other method, shall be effective only if and when received by the party to be notified. The following shall be prima facie evidence of the date of actual receipt of Notice by the addressee: (a) if hand delivered, by a delivery receipt signed by the addressee or the addressee's agent or representative, (b) written evidence by the carrier of such Notice of the date of attempted delivery at the address of the addressee if such delivery is refused, or (c) a return telecopy sent from a fax machine or office of the addressee or other confirmation from the office of the addressee indicating that any telecopied notice has been received.

For purposes of Notice, the addresses of the parties shall, until changed as herein provided, be as follows:

Landlord: Little Elm Economic Development Corporation
100 W. Eldorado Parkway
Little Elm, Denton County, Texas 75068-5060

With a copy to: Brown and Hofmeister, LLP
740 East Campbell Road, Suite 800
Richardson, Texas 75081
Attn: Jeff Moore, Esq.

Ground Lessee: Village at Lakefront, LLC
14109 Inwood Road
Farmers Branch, Texas 75244-8232
Attn: John L. Bailey

With a copy to: _____

Attn: _____

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However, the parties hereto and their representative heirs, successors, legal representatives, and assigns shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least ten (10) days' written notice to the other party.

- 20.2 **Captions.** The title captions appearing in this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing this Agreement, or any provisions hereof, or in connection with the duties, obligations, or liabilities of the respective parties hereto, or in ascertaining intent, if any question of intent exists.
- 20.3 **Entire Contract; Amendment.** It is expressly agreed by both parties that this Agreement, and the Exhibits attached hereto is the entire agreement of the parties with respect to the subject matter hereof, and that there are, and have been, no verbal representations, understandings, stipulations, agreements, or promises pertaining to this Agreement. It is likewise agreed that this Agreement may not be altered, amended, or extended except by an instrument in writing signed by both Landlord and Ground Lessee.
- 20.4 **Severability.** If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 20.5 **Successor and Assigns.** All covenants and obligations as contained within this Agreement shall bind and extend and inure to the benefit of the successors and permitted assigns of each of Landlord and Ground Lessee.
- 20.6 **Personal Pronouns.** All personal pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine, or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.
- 20.7 **No Merger.** There shall be no merger of this Agreement or of the leasehold estate created by this Agreement with the fee or any other estate or interest in the Premises by reason of the fact that the same person owns or hold, directly or indirectly, all such estates and interests or any combination thereof.
- 20.8 **Short Form Lease.** Upon the complete execution hereof, the parties hereto shall execute and record a memorandum of this Agreement in the Real Property Records of Denton County, Texas which also identifies Ground Lessee's option to purchase (in general terms and not listing any specific price therein).
- 20.9 **Legal Interpretation.** This Agreement and the rights and obligations of the parties hereto shall be interpreted, construed, and enforced in accordance with the laws of the State of Texas.

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- 20.10 **No Mortgage or Joint Venture.** Ground Lessee and Landlord acknowledge and agree that this Agreement is, in fact, a lease arrangement, and does not constitute a loan or a joint venture, and that Ground Lessee has been represented by experienced legal counsel, who has advised Ground Lessee of the rights and duties of Ground Lessee. Ground Lessee will not assert that the transaction evidenced hereby is a loan or a joint venture if Landlord or Landlord's mortgagee subsequently seeks to enforce its legal rights as a landlord.
- 20.11 **Brokers.** Ground Lessee warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Agreement and Ground Lessee agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, expenses, or liability for commissions or other compensation or charges claimed by any parties claiming by, through, or under Ground Lessee with respect to this Agreement. Landlord warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Agreement and Landlord agrees to the extent allowed by law to indemnify Ground Lessee and hold Ground Lessee harmless from and against any and all costs, expenses, or liability for commissions or other compensation or charges claimed by any parties claiming by, through, or under landlord with respect to this Agreement.
- 20.12 **Waiver of Landlord's Lien; Fixtures.** Landlord hereby waives any contractual, statutory or other Landlord's lien on the furniture, fixtures, supplies, equipment, inventory or other personalty of Ground Lessee or any sublessee of Ground Lessee. Ground Lessee may, at any time while it occupies the Premises, or within a reasonable time thereafter, remove any furniture, machinery, equipment, or other trade fixtures owned or placed by Ground Lessee, its subtenant or licensees, in, under, or on the Premises, or acquired by Ground Lessee, whether before or during the Term of this Agreement. Before this Agreement terminates, Ground Lessee must repair any damage to any buildings or improvements on the Premises resulting from such removal described in this section. Notwithstanding any other term or provision of this Agreement, any such items not removed by the lease termination date will become Landlord's property on that date.
- 20.13 **Authority to Execute.**
- (a) Ground Lessee represents and warrants that Ground Lessee is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Ground Lessee has (have) full right, power, and authority to execute this Agreement on behalf of Ground Lessee, as reflected on the Secretary's certificate, furnished to Landlord on or prior to the Effective Date.
- (b) Landlord represents and warrants that Landlord is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Landlord has (have) full right, power, and authority to execute this

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Village at Lakefront

Agreement on behalf of Landlord, as reflected on the Secretary's certificate, furnished to Ground Lessee on or prior to the Effective Date.

- 20.14 **Force Majeure.** Whenever a period of time is herein prescribed for action to be taken by Landlord or Ground Lessee (except as to payment of rent or other sums due by either party hereunder), neither Landlord nor Ground Lessee, as applicable, shall be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays (collectively, "Force Majeure") due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions.
- 20.15 **Mechanic's Liens.** Ground Lessee will not cause or permit any mechanic's liens or other liens to be filed against the fee of the Premises or against Ground Lessee's leasehold interests (excluding any leasehold mortgage) in the Land or any building or improvements on the premises by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Ground Lessee or anyone holding the Premises or any part of them through or under Ground Lessee. If such a mechanic's lien or materialman's lien is recorded against the Premises or any buildings or improvement on them, Ground Lessee must either cause it to be removed or, if Ground Lessee in good faith wishes to contest the lien, Ground Lessee will indemnify Landlord and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will, in the event of a judgment of foreclosure on the lien, cause the lien to be discharged and removed before the judgment is executed.
- 20.16 **Right of Entry.** Ground Lessee must permit Landlord or its agents, representatives, or employee to enter the Premises for the purposes of inspection; determining whether or not Ground Lessee is complying with this Agreement; maintaining, repairing or altering the Premises; or showing the Premises to prospective Ground Lessees, purchasers, mortgagees, or beneficiaries under trust deeds.
- 20.17 **No Partnership or Joint Venture.** The relationship between Landlord and Ground Lessee is at all times solely that of landlord and Ground Lessee and may not be deemed a partnership or a joint venture.
- 20.18 **Prior Agreements Superseded/Rule of Construction.** This Agreement constitutes the parties' sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party, regardless of the party supplying this Agreement.
- 20.19 **Delivery Does Not Constitute Offer.** The submission of this Agreement for examination by one party does not constitute an offer capable of acceptance and Ground Lessee shall have no rights with respect to this Agreement or the Premises until Landlord shall execute the Agreement and deliver the same to Ground Lessee. A binding agreement may only be formed by the execution of a written agreement duly signed by both parties.

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- 20.20 **Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and either party's using any right or remedy will not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.
- 20.21 **Chamber of Commerce Membership.** Ground Lessee covenants and agrees to maintain during the Term of this Agreement the equivalent of a platinum membership or higher, with the Little Elm Chamber of Commerce.

[The Remainder of this Page Intentionally Left Blank]

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EXECUTED IN MULTIPLE ORIGINAL COUNTERPARTS, which constitute but one and the same instrument, as of the day and year first above written. Upon the final execution hereof by Landlord and Ground Lessee, the last to sign of such parties shall complete the date on the first page thereof.

LANDLORD:

**LITTLE ELM ECONOMIC
DEVELOPMENT CORPORATION**

a Texas non-profit corporation

By: _____
Ken Eaken, President

Date: _____

STATE OF TEXAS

§

§

COUNTY OF DENTON

§

This instrument was acknowledged before me on the ____ day of _____, 2021, by Ken Eaken, President of the Little Elm Economic Development Corporation, a Texas non-profit corporation, on behalf of said non-profit corporation.

Notary Public, State of Texas

Initial for Identification: _____
Little Elm EDC



Village at Lakefront

GROUND LESSEE:

VILLAGE AT LAKEFRONT, LLC,
a Texas limited liability company,

By: Village Management, Inc.,
a Texas corporation, Manager

By: John L. Bailey
John L. Bailey, President of Manager

STATE OF TEXAS

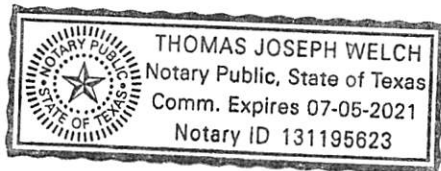
§

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on the 14 day of January, 2021,
by John L. Bailey, President of Village Management, Inc., as Manager of Village at Lakefront,
LLC, a Texas limited liability company, on behalf of said Texas company.



Thomas Joseph Welch
Notary Public, State of Texas

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VB
Village at Lakefront

Exhibit A

LAND

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Village at Lakefront

Site Plan showing proposed development layout, including lot divisions, dimensions, and existing structures. The plan includes a north arrow and a scale bar.

Key features and dimensions:

- PROPOSED LOT 1: 100' x 100'
- PROPOSED LOT 2: 100' x 100'
- PROPOSED LOT 3: 100' x 100'
- EXISTING LOT 1: 100' x 100'
- EXISTING LOT 2: 100' x 100'
- EXISTING LOT 3: 100' x 100'
- EXISTING LOT 4: 100' x 100'
- EXISTING LOT 5: 100' x 100'
- EXISTING LOT 6: 100' x 100'
- EXISTING LOT 7: 100' x 100'
- EXISTING LOT 8: 100' x 100'
- EXISTING LOT 9: 100' x 100'
- EXISTING LOT 10: 100' x 100'
- EXISTING LOT 11: 100' x 100'
- EXISTING LOT 12: 100' x 100'
- EXISTING LOT 13: 100' x 100'
- EXISTING LOT 14: 100' x 100'
- EXISTING LOT 15: 100' x 100'
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MINOR PLAT
PALLADIUM ADDITION
LOTS 1R-1 & 1R-2, BLOCK A
7.22 ACRES SITUATED IN THE RICHARD
HENSWORTH SURVEY, ABSTRACT NO. 877 AND
THE MATTHEW JONES SURVEY, ABSTRACT NO.
687, DENTON COUNTY, TEXAS

[illegible]

THEOREM 3. Suppose α is a real number, β is a positive real number, and γ is a positive real number. Then, for any $\epsilon > 0$, there exists a $\delta > 0$ such that, if α, β, γ are all less than δ , then the following holds:

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THEOREM 1. *Let \mathcal{A} be a finite algebra. Then the following conditions are equivalent:*

- (1) *\mathcal{A} is a subdirect product of a family of simple algebras.*
- (2) *\mathcal{A} is a subdirect product of a family of algebras in which every congruence is a direct congruence.*
- (3) *\mathcal{A} is a subdirect product of a family of algebras in which every congruence is a direct congruence.*

[illegible]



Town Council Meeting

Date: 01/19/2021
Agenda Item #: 7. A.
Department: Development Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Skye Thibodeaux, Planning Manager

AGENDA ITEM:

Continue a Public Hearing, Present, Discuss, and Consider Action to **Rezone Approximately 4.4 acres of Land from Lakefront (LF) w/ Specific Use Permit for Child Care Center to Planned Development-Lakefront (PD-LF) to Allow for the Use of Mixed-Use and Commercial with Modified Development Standards, Generally Located at the Southwest Corner of Eldorado Parkway and Hillside Drive, within Little Elm's Town Limits.**

DESCRIPTION:

At the January 5, 2021 Town Council meeting, Town Council directed the applicant to provide the following:

- More detailed information associated with the proposed elevations regarding materials and color pallets for garages along with additional details regarding exterior and interior finish materials.
- Additions to the proposed landscape plan providing additional tree plantings along the western boundary to mitigate visibility between Eldorado Parkway and the western facing garages.
- A POA document formed and executed for the property including language for shared use of dumpsters.

At this time, the applicant has provided updated plans to staff but has not yet formed and executed the above mentioned POA document.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

In order to provide additional time for the applicant to form and execute a POA document for the subject property with shared use language, staff is requesting that this item be continued to the February 2, 2021 Town Council meeting.
