

## NOTICE OF STATED MEETING OF THE MEADOWLAKES CITY COUNCIL

Notice is hereby given that a **STATED MEETING** of the Meadowlakes City Council will be held on Tuesday, the 13<sup>th</sup> of November, 2012 at **5:00 PM** at Meadowlakes City Hall, 177 Broadmoor, Totten Hall, Meadowlakes, Texas, at which time the following subjects will be discussed, to wit:

### ~ STATED MEETING ~

- I. CALL TO ORDER AND QUORUM DETERMINATION
- II. PLEDGE OF ALLEGIANCE AND PRAYER
- III. MONTHLY STANDARD LIVE REPORTS (*Progress & Status Reports Only - Recommendations or action discussions not allowed*)
  - City Manager Activity Report - Johnnie Thompson
    - Consent Items as listed below
- IV. CONSENT ITEMS (*The items listed are considered to be routine and non-controversial by the Council and may be approved by one motion. No separate discussion or action on any of the items is necessary unless desired by a Council Member; at which time select item(s) may be discussed separately under consent items and separate motion(s).*)
  - A. October 9<sup>th</sup>, 2012 Meeting Minutes –Stephanie Littleton, City Secretary
  - B. Ordinance Enforcement October 2012 Activity Report – Pat Preston
  - C. Animal Control October 2012 Activity Report - Robbie Galaway, Officer
  - D. Patrol Activity October 2012 Report - provided by Meadowlakes Patrol Officers
  - E. Vandalism/Incident October 2012 Activity Report – Stephanie Littleton, City Secretary
  - F. City Building Committee October 2012 Activity Report - Don Wheeler, Chairman
  - G. Public Works Department October 2012 Activity Report - Mike Williams, PWD
  - H. October 2012 Detailed Financials Report - Johnnie Thompson, City Manager
- V. CITIZEN COMMENTS (*Limited to 15 minutes total on general subjects and agenda items. Agenda Item specific comments should be made as part of agenda item council discussion.*)
- VI. OLD BUSINESS
  - A. Action/Discussion : **Ordinance 2012-10 Approving a lease purchase and escrow agreement with the Meadowlakes Property Owners Association, Inc.** for funding to build a new potable water storage tank-Williams/Thompson
  - B. Status Update:
    1. Meadowlakes Directory- Littleton
    2. Codification-Littleton
    3. Meadowlakes Public Facility Corporation
- VII. NEW BUSINESS
  - A. Action/Discussion: **Ordinance 2012-09 Prohibiting the use of wireless devices while driving-** Williams
  - B. Action/Discussion: Water meter replacement program and financing of such program.-Mike Williams/Thompson
  - C. Action/Discussion: Sale of Surplus real property including the feasibility for the sale of surplus real property, development of policy for use of funds generated from the sale, appointment golf course Reconfiguration Committee

- D. Action/Discussion: Memorandum of Understanding between the City of Meadowlakes and Burnet County for providing addressing information for 9-1-1 addressing.-Thompson
- E. Action/Discussion: Recommendation from the Planning & Zoning Commission to appoint the POA Vice President to the Planning & Zoning Committee- Thompson/Littleton

VIII. COUNCIL & MAYOR ANNOUNCEMENTS about items of Community Interest  
(Announcements during this agenda item are limited to the following, as authorized under Section 551.0415, Tex. Gov't Code.)

- Expressions of thanks, congratulations, or condolence;
- An honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding the change in the status of the person's public employment is not an honorary or salutory recognition for the purposes of this subdivision;
- A reminder regarding a social, ceremonial, or community event organized or sponsored by an entity governing body or an official or employee of the municipality; and
- Announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

A. The next regularly scheduled meeting will be held December 11<sup>th</sup>, 2012 at 5:00 p.m.

IX. ADJOURNMENT

(The City Council of Meadowlakes reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.)

An agenda packet is available for public inspection at City Hall, 177 Broadmoor, Suite A, Meadowlakes, between the hours of 8:00 a.m. through 12:00 p.m. and 1:00 p.m. through 4:00 p.m. Monday through Friday.

**THE PUBLIC IS INVITED TO CITY COUNCIL MEETINGS**

We, the undersigned authorities, do certify that this Notice of Meeting was posted at Meadowlakes City Hall and on our website, convenient to the public, on or before November 9th, 2012 by 1:00 P.M. and remained so posted continuously for at least 72 hours immediately preceding the day of said meeting.

/s/Stephanie Littleton

Stephanie Littleton, City Secretary

/s/Don Williams

Don Williams, Mayor

PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED AUXILIARY AIDS OR SERVICES ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT (830) 693-6840 FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING TIME.

Posting Removed: \_\_\_\_\_ at \_\_\_\_\_ by \_\_\_\_\_  
(Above to be recorded upon removal, document retention at City Hall, date of removal will not be reposted via website)

**City of Meadowlakes  
Stated Meeting Minutes  
October 9, 2012**

**I. CALL TO ORDER AND QUORUM DETERMINATION:** Mayor Don

Williams called the meeting to order at 5:00 declaring that a quorum was present at the Meadowlakes Municipal Building in Totten Hall, 177 Broadmoor, Meadowlakes, Texas. Councilmembers present were Barry Cunningham, Mary Ann Raesener, Paul Sarcione, Franzella Jones and Gary Hammond. Also present were City Manager Johnnie Thompson and City Secretary Stephanie Littleton.

**II. PLEDGE OF ALLEGIANCE AND PRAYER:** Patti Wray led the Council and guests in the Pledge of Allegiance and Joe Summers led the Council and guests in prayer.

**III. MONTHLY STANDARD LIVE REPORTS:**

City Manager Johnnie Thompson addressed the Council and Citizens, summarizing the contents and major highlights of the monthly reports, including the patrol hours and morning speeding, and the financial condition of the various City funds. Council and audience discussion ensued.

**IV. CONSENT ITEMS:**

- A.** September 11<sup>th</sup> & 18<sup>th</sup>, 2012 Meeting Minutes –Stephanie Littleton, City Secretary
- B.** Ordinance Enforcement September 2012 Activity Report – Pat Preston
- C.** Animal Control September 2012 Activity Report - Robbie Galaway, Officer
- D.** Patrol Activity September 2012 Report - provided by Meadowlakes Patrol Officers
- E.** Vandalism/Incident September 2012 Activity Report – Stephanie Littleton, City Secretary
- F.** City Building Committee September 2012 Activity Report - Don Wheeler, Chairman
- G.** Public Works Department September 2012 Activity Report - Mike Williams, PWD
- H.** September 2012 Detailed Financials Report - Johnnie Thompson, City Manager

After Council discussion, Councilmember Jones made a motion to approve the consent items as presented. Councilmember Raesener seconded the motion. It passed by a unanimous vote of the Councilmembers present.

V. **CITIZEN COMMENTS:** Resident Joe Summers spoke about a recent incident where a golfer was almost hit by a driver who was texting. He asked the Council to consider a ban on texting while driving.

VI. **OLD BUSINESS:**

A. *Action/Discussion: Meadowlakes Public Facility Corporation General Manager & Chief Operations Manager employment agreement.* Mayor Williams highlighted the contract changes and asked for council vote. Councilmember Raesener moved to accept the employment contract. Councilmember Cunningham seconded the motion and it passed by a unanimous vote of the Councilmembers present.

B. *Action/Discussion: Authorizing City Manager to finalize contract documents between the City and Meadowlakes Property Owners Association, Inc. for financing of a new potable water reservoir.* Mayor Williams addressed the Council and audience members, stating that some fine tuning of the contract and consultation with the city attorney is still needed. Once the contract is final, it will be presented to the Meadowlakes POA for their approval.

VII. **NEW BUSINESS**

A. *Action/Discussion: **Resolution 2012-10 Appointing Members to City of Meadowlakes Planning & Zoning Commission, Building Committee and the Meadowlakes Public Facility Corporation, establishing terms of office for each and appointment of Chair to the Planning & Zoning Commission and Building Committee.***

Mayor Williams directed the Councilmembers to the agenda packet providing the background of the committee appointees and their recommendations as follows:

**MEADOWLAKES PUBLIC FACILITY CORPORATION**

Name	New/Re-appointed	Term
Steve Hawkins, Place #4	Re-appointment unexpired term	11/12 to 10/31/14
Lowell Dale Fixsen, Place #3	Re-appointment	11/1/12 to 10/31/15
Rob Paul, Place #1	New appointment	11/1/12 to 10/31/15
Mike Thelen, Place #2	New appointment	11/1/12 to 10/31/15

**CITY OF MEADOWLAKES PLANNING AND ZONING COMMISSION**

Name	New/Re-appointed	Term
John Sopel, Place #2	Re-appointment	11/1/12 to 10/31/14
Sherri Miller, Place #4	New appointment	11/1/12 to 10/31/14

**CITY OF MEADOWLAKES BUILDING COMMITTEE**

Name	New/Re-appointed	Term
Tony Sosinski, Place #2	Re-appointment	11/1/12 to 10/31/14
Georgina Christy, Place #4	Re-appointment	11/1/12 to 10/31/14
Barbara Kast, Place #6	Re-appointment	11/1/12 to 10/31/14

Council discussion ensued. Councilmember Jones moved to accept Resolution 2012-10. Councilmember Sarcione seconded the motion and it passed by a unanimous vote of the Councilmembers present.

95 **B. Action/Discussion: Resolution 2012-11 Re-adopting the City's**  
96 **Investment Policy.** City Manager Johnnie Thompson addressed the  
97 Council regarding the city's requirement to re-adopt an investment  
98 policy every year. Mr. Thompson explained that the proposed policy is  
99 identical to the previous version except for small title changes and  
100 dates. Mr. Thompson briefly explained where monies are currently  
101 invested. After brief Council discussion, Councilmember Raesener  
102 made a motion to approve Resolution 1012-11. Councilmember  
103 Cunningham seconded the motion and it passed by a unanimous vote  
104 of the Councilmembers present.

105 **C. Action/Discussion: Authorization for City Manager to establish new**  
106 **accounts for Tax, Construction and I&S.** City Manager Johnnie  
107 Thompson addressed the Council, outlining the municipal  
108 requirements for establishing the separate funds and their purposes.  
109 After brief Council discussion, Councilmember Cunningham made a  
110 motion to authorize the City Manager to establish the new accounts.  
111 Councilmember Hammond seconded the motion and it passed by a  
112 unanimous vote of the Councilmembers present.

113 **D. Action/Discussion: City of Meadowlakes Directory.** Mayor Williams  
114 outlined the idea to publish the next directory with names &  
115 addresses of all residents along with the phone numbers of residents  
116 who have given permission to do so. The directory will be published  
117 in-house. Audience discussion ensued. Councilmember Raesener  
118 made a motion authorizing the City to move forward with the  
119 publication. Councilmember Sarcione seconded the motion and it  
120 passed by a unanimous vote of the Councilmembers present.

121 **E. Action/Discussion: Resolution 2012-12 Authorizing the filing with**  
122 **the Texas Comptroller of Public Accounts a letter stating that**  
123 **the City is authorized by the State to exercise the power of**  
124 **eminent domain.** City Manager Johnnie Thompson explained that  
125 the City is required to file a letter with State Comptroller in order to  
126 retain our eminent domain authority. Council discussion ensued.  
127 Councilmember Jones moved to accept Resolution 2012-12. The  
128 motion was seconded by Councilmember Hammond as passed by a  
129 unanimous vote of the Councilmembers present.

130 **F. Status Update:**

131 *a. Codification progress.* City Secretary Stephanie Littleton briefed  
132 Council on the Codification progress to date and explained that  
133 a workshop will need to be established in order to finalize the  
134 project.  
135

## 136 137 **VIII. COUNCIL & MAYOR ANNOUNCEMENTS:**

138 **A.** The next regularly scheduled meeting will be held November 13<sup>th</sup>, 2012  
139 at 5:00 p.m. Workshops may be scheduled as well.

- 140 **B.** Councilmember Jones expressed her support for researching and  
141 participating in an anti-texting while driving campaign.  
142 **C.** Mayor Williams reminded everyone that the annual POA meeting will  
143 take place on Saturday, October 13th at 10 am and to please turn in a  
144 proxy if you are unable to attend.  
145

146 **IX. ADJOURNMENT: 5:36**

147  
148 **Approved:**

149  
150  
151 /s/ Don Williams **Date:** \_\_\_\_\_  
152 Mayor, Don Williams  
153

154  
155  
156 **Attest:**

157  
158 /s/ Stephanie Littleton **Date:** \_\_\_\_\_  
159 City Secretary, Stephanie Littleton

**Ordinance Enforcement Report  
October 2012  
Summary**

Calls Received: Ordinance line: 6  
Security Gate: 1

45 warning letters or notices were issued during the month of October:

- 1 letter regarding Ordinance 92.02 – boat or trailer parked on drive over 72 hours in a 7 day period
- 3 letters regarding Ordinance 92.02 – golf cart parked on lot
- 29 letters regarding Ordinance 130.02 – trash containers visible from the street
- 5 letters regarding Ordinance 130.02 – yard or lot needing mowing
- 4 letters regarding Ordinance 130.02 – limbs or yard debris on lot over 10 days
- 3 letters regarding Ordinance 150.23 – line of sight at intersection

14 warning tickets were issued regarding Ordinance 92.02 – parking on the wrong side of street or in no parking area

7 verbal warnings were issued.

Submitted by:

*Pat Preston*

Pat Preston  
Ordinance Enforcement Officer  
November 1, 2012

## **Animal Control Report**

**Meadowlakes, Texas**

**October, 2012**

- A resident had concern for a large rattlesnake skin he found in his attic.
- One resident called to report a cat had been run over by a car. A friend of hers took the cat to the vet, but it had to be put to sleep.
- Several reports were received for a resident having more than the maximum number of dogs - ongoing.
- I informed a pet owner of the requirement to register his dogs.
- I advised two homeowners of their dogs barking into the night. The pet owners are trying to take care of the problem.
- Two trapped squirrels were removed from the city.
- Two calls were for live bats on the side of their houses in the daytime. One was taken to the vet for rabies testing - results were negative. The other was removed from the city.
- One complaint for dog running loose in the city. The pet owner is working on controlling his dog.
- One report was received for a possible rabid skunk in the city during the daytime. It was gone when I arrived.
- Four dogs came into the city from Marble Falls - a mother and 3 puppies. The pups were picked up by the Marble Falls Animal Control Officer. The mother ran into a culvert and whereabouts is unknown.

*Robbie Galaway*

**Robbie Galaway**

# MEADOWLAKES PATROL ACTIVITY REPORT October 2012

DATE	DAY	DEPUTY	START TIME	END TIME	HRS	CITATION	WARNING	VERBAL	OTHER	NOTES	Begin Mileage	End Mileage	Miles Driven
10/1/11	Mon	Perez	7:00 AM	10:00 AM	3:00	1	1			Patrol, traffic monitor, checked City bldgs.	52450	52467	17
10/2/11	Tue	Koenning	3:15 PM	6:15 PM	3:00		2				85220	85240	20
10/3/11													0
10/4/11	Thu	Bindseil	6:00 PM	9:00 PM	3:00						51330	51344	14
10/5/11	Fri	Koenning	7:00 PM	10:00 PM	3:00	1		2			85583	85602	19
10/6/11	Sat	Perez	7:30 PM	10:30 PM	3:00		2			Welfare check, patrol	52716	52729	13
10/7/11	Sun	Wilson	6:00 PM	9:00 PM	3:00					Welfare check, patrol	37077	37095	18
10/8/11													0
10/9/11	Tue	Wilson	7:00 AM	10:00 AM	3:00					Patrol, radar, followed up on citizen complaint of speeding vehicle. Did not locate vehicle but will look on future patrols.	37095	37114	19
10/10/11	Wed	Bindseil	1:00 PM	4:00 PM	3:00					Monitor school traffic	52344	52359	15
10/11/11													0
10/12/11	Fri	Bindseil	1:00 PM	4:00 PM	3:00					Monitor after school traffic and bus routes	52612	52628	16
10/13/11													0
10/14/11	Sun	Bindseil	6:00 PM	9:00 PM	3:00						52871	52882	11
10/15/11													0
10/16/11	Tue	Koenning	3:00 PM	6:00 PM	3:00		1				164569	164585	16
10/17/11	Wed	Wilson	7:00 AM	10:00 AM	3:00					Patrol, radar	37740	37756	16
10/18/11	Thu	Bindseil	6:00 PM	9:00 PM	3:00						53008	53014	6
10/19/11	Fri	Koenning	7:00 PM	10:00 PM	3:00						86778	86795	17
10/20/11													0
10/21/11													0
10/22/11	Mon	Wilson	3:00 PM	6:00 PM	3:00					Follow school bus, monitor traffic, radar on Turkey Run per citizen complaints	38210	38233	23
10/23/11													0
10/24/11	Wed	Bindseil	7:00 AM	10:00 AM	3:00					Monitor work/school traffic	53250	53264	14
10/25/11													0
10/26/11													0
10/27/11													0
10/28/11													0
10/29/11													0
10/30/11	Tue	Koenning	3:00 PM	6:00 PM	3:00	1		1			87705	87725	20
10/31/11	Wed	Wilson	7:00 AM	10:00 AM	3:00					patrol, radar, follow school bus	38714	38738	24

TOTALS:

54

3

6

3

0

261

Violation Citation was issued for:

1 failure to stop

2 for speeding

# *City of Meadowlakes*

VANDALISM/INCIDENTS-October 2012

**10/1/2012**

**318 Columbine**

**Yard Sign Vandalized**

*BUILDING COMMITTEE REPORT*  
**October 2012**  
**Don Wheeler – Building Committee Chairman**

*ACTIVE BUILDING PERMITS (under construction or review) .....12*  
*(adjusted for the completion of several fences/patio covers)*

*October 2012 Approved Permits*

<i>Deck</i>	
<i>Concrete Slab</i>	
<i>Fence</i>	<i>2</i>
<i>Swimming Pool/Hot Tub</i>	<i>2</i>
<i>Remodel</i>	
<i>Variance</i>	
<i>New Homes</i>	<i>1</i>
<i>Other</i>	
<i>Patio Cover</i>	
<i>Arbor</i>	
<i>Plat Amendment</i>	
<i>Consultation</i>	
<i>Playscape</i>	
<i>Permit Revisions</i>	
<i>Applications denied:</i>	<i>Arbor</i>
	<i>Fence</i>
	<i>New home</i>
	<i>Variance</i>
	<i>Remodel</i>
	<i>Patio Cover</i>
	<i>Playscape</i>
	<i>Detached Structure</i>
	<i>Carport</i>
	<i>Propane gas storage tank</i>
	<i>Roof replacement</i>
	<i>Other</i>

# City of Meadowlakes

177 Broadmoor  
Meadowlakes, Texas 78654  
USA

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Phone (830) 693-2951  
Fax (830) 693-2124

## MEMORANDUM

Date: November 5, 2012  
To: Honorable Mayor and Council  
From: Mike Williams, Public Works Director  
Subject: Public Works Activity Report

To follow is a list of some of the activities of the PWD the past month:

1. Processed and treated 12.4 million gallons of drinking water compared to 12.7 million gallons for the same month in the previous year, for a decrease of 2.4%.
2. The construction of the add-on at the wastewater treatment plant has been completed with the installation of the gutters/downspouts and the completion of the wiring.
3. Tasks for the POA that were done this month include: Completed 2 cycles of mowing vacant lots, weekly mowing at the guard gate and parks, worked on the flower beds at the gate, mowed rv storage area
4. Employee Scott Bridges passed the TCEQ exam for his class C water license.
5. Weekly brush pickup – we would like to remind our residents to please call city hall to be put on the weekly pickup list and to review the guidelines for the items that can and cannot be picked up.
6. Prime Controls replaced the antennas for the SCADA system at the water treatment plant and the raw water pump station.
7. The new pump panel for the Deer Lick sewage lift station is here and will be installed this week by our electrician.
8. The remodel project for the lab at the wastewater treatment plant has been completed.
9. 2 new water and sewer taps were installed for the 2 new homes being built. 1 on Firestone and the other on Marion.

*City of Meadowlakes*  
**Items for Consideration**  
**City Council Meeting**  
**November 13, 2012**

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**Item: IV-H**

**Date:** November 2, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Johnnie Thompson, City Manager

**Agenda Item:** IV-Consent Item H-Financial Statement Review

**Requested Council Agenda Date:** November 13, 2012

- 1. Contact Name & Number:** Johnnie Thompson, City Manager - 830-693-2951
- 2. Place On:** ☒ **Consent** ☐ **New Business** ☐ **Old Business**
- 3. Budget Impact Statement Attached:** ☐ **Yes** ☐ **No** ☒ **N/A**
- 4. Original Copies of Documents Approved to from by City Attorney?** ☐ **Yes**  
☐ **No** ☒ **N/A**
- 

**6. Background:**

Please find attached for your review and consideration copies of the October 2012 financial reports. In reviewing them you will note a slight formatting change from previous submittals. You will note a combined balance sheet showing all funds of the City. I have also provided you with a budget comparison for the General Fund which is similar to the previous Utility Fund financials along with a few other minor changes. These changes were made in an effort to provide you and the citizens of Meadowlakes a little better understanding of the City's financial condition.

Below you will find a brief review of the submitted financials:

Combined Balance Sheet – Page 1 and 2

The Combined Balance sheet reflects total assets and liabilities of all City Funds in one concise document instead of several different ones used in the past. This report is still in the development stage and one downfall of this new format is the ability to show you a comparison to this time last year. I will continue to work on the formatting and hopefully develop means to relate this information to you in a modification of the report, until then I will reflect those changes in cash for you below:

	As of Oct. 31, 2012	As of Oct. 31, 2011	Difference
<i>Utility Fund</i>	\$460,370	\$384,774	\$75,596
<i>General Fund</i>	\$296,330	\$298,420	<\$2,090>
<i>Debt Service</i>	\$ 24,469	\$ 35,800	< \$11,331>

The *Utility Fund* reflects a \$75,596 increase in cash from this time last year. Of this additional cash, approximately \$20,000 of these additional funds are committed to either additional customer deposits or additional restricted funds increase from last year at this time. The fund has approximately \$55,000 more in unrestricted funds that at this time last year.

The *General Fund* has slightly less than \$2,100 in cash on deposit than it did at this time last year. Although the Fund has less cash on hand than at this time last year, it also has approximately \$9,000 less in restricted cash. Factoring in the decrease in restricted funds the Fund actually has slightly less than \$5,000 more in non-restricted funds than at the end of October 2011.

The *Debt Service* Fund has approximately \$11,000 less on deposit than it did at this time last year mainly due to a decrease in property tax income. In October of 2011 approximately \$7,000 in tax income was deposited compared to less than \$500 in October of this year.

#### Utility Fund Profit and Loss-Page 3 to 7

You will find a consolidated profit and loss statement on page 3 followed by a detailed statement on pages 4 through 7.

Income for the *Utility Fund* was slightly less (\$4,400) than the amount budgeted for October. The decrease in revenue is mainly contributed to lower water sales in October than anticipated. October was the first month in which the new rates were utilized and the new rate structure generated about \$3,800 in additional revenue in October over what the old rate would have. In reviewing expenses you will note that while revenues were below those budgeted for the period, expenses were also below those budgeted. I have provided a brief review of each major expense categories for you:

- *Employee Expenses* – were about \$1,000 less than those budgeted for the month.
- *Administrative Expense* – exceeded those budgeted by nearly \$2,200. This is due to a different payment schedule for auditing expense as well as fees paid to the TCEQ. The TCEQ fees were budgeted for November while the auditing expense was actually budgeted for February. I will adjust the budget to reflect these changes prior to next month's financial reports.
- *Operating Expenses* – are about \$7,500 less than those budgeted for the period due to less than anticipated repair and maintenance expense for the month.

- *POA Contract* – was less than budgeted mainly due to fuel not being expensed out for the month. We are utilizing bulk fuel and fuel cost will be booked as additional bulk fuel is purchased.
- *Other Expenses-Garbage*- this expense is very near that as budgeted. Please note that this expense may increase or decrease slightly due to time limitations on preparing the financial statements. Last month's billing was booked and will change depending on the actual billing received from Allied.
- *Net Operating Expense*-total operating expenses for the month was \$78,422, nearly \$6,800 less than budgeted for the period.
- The Utility Fund's actual operating net gain was near \$16,000; \$2,400 greater than budgeted. The actual operating net gain is calculated prior to any transfer to other funds.
- *Transfers to Other Funds* – during October we transferred \$2,000 more from the Utility Fund to other funds than was originally budgeted for the period. These additional transferred funds were used to establish two new accounts (Interest & Sinking and Capital Improvement Funds).
- The *Fund* had an actual total gain of \$377 compared to a budgeted \$8 net gain for the month.

#### General Fund-Pages 8 to 12

The General Fund financial statements, as mentioned earlier, have been reformatted slightly from prior General Fund financials. Beginning next month it will be formatted in order to provide you monthly budget and year-to-date budget comparisons. Like the Utility Fund, you will find a consolidated report on page 8 followed by a more detailed report on pages 9 through 12. The Fund had an actual net loss of \$14,500 which is \$9,300 greater than the budgeted loss. The increase in net loss was due to less property tax income being collected than was budgeted for the month. The General Fund operates with monthly losses except during the months of November-February when the fund generates the vast majority of its income from property taxes.

Expenses for the fund were below those budgeted for the month mainly due to less than budgeted employee and insurance expenses. As mentioned earlier, the fund did experience a net operating loss of \$14,500, which is \$9,300 greater than budgeted.

#### Debt Service- Page 13

During this time of the year little activity occurs in the Debt Service fund with the exceptions of deposits into the account. As mentioned earlier tax income has been slow coming in this year, however, we just received notification of a \$29,500 deposit that was made today (November 2<sup>nd</sup>). Of this, approximately \$14,000 will be transferred to the Debt Service Fund and the remaining balance to the General Fund. No expenditures are expected until an interest payment in February.

Please note in anticipation of the funding for the new potable water storage tank a new Interest & Sinking account has been developed per the terms and conditions of the proposed lease-purchase agreement with the POA.

#### Recreation and Country Club Fund-Page 14

Like the Debt Service Fund very little activity is anticipated in this fund with the exception of deposits. Please note that due to not receiving the lease and principal payment from the PFC until late on the 31<sup>st</sup> these were not posted as income for the month. November should show a double posting of income if the lease and principal payments are made on time.

At the end of October the Golf Course Improvement Fund had received an additional \$2,586 in cart path donations, bringing the total held in reserve to \$6,554. The reserve fund did reimburse the Utility Fund \$175 for the custom ordered paving bricks.

#### Capital Improvement Fund-Page 15

This is a new fund which was created to fund the construction of the new water storage tank. Additional funds will be transferred into this fund as needed from the Utility Fund to cover related expenses for the construction of the new potable water storage tank. The proceeds from the anticipated lease-purchase agreement with the POA will also be deposited into this account.

#### Cash Flow Analysis – Page 16 to 18

Enclosed please find the individual cash flow analyses for the Utility, General and Debt Service Funds. Please note that these analyses reflect actual cash flow and may reflect different revenues and expenses compared to the attached financial statements which are based on the accrual method of accounting. You will find a brief review of each fund analysis below:

- Operating Fund – had a negative cash flow for the month mainly due to having three pay periods instead of the normal two. This was anticipated budgeted. The fund had a net cash decrease of \$13,019 in October compared to a \$6,000 positive cash flow in October of last year. The cash flow should balance out to some degree in November.
- Debt Service Fund-had a positive cash flow for the month and should continue to have a positive cash flow until February when as previously mentioned we have an interest payment coming due on our bonds.
- General Fund-also had a negative cash flow for October which was expected. The fund should have a positive cash flow for the months of November through February due to property tax income.

#### Check Register-Page 19-23

At the suggestion of our new auditors please find on pages 19 through 23 the check register along with a brief explanation for all disbursements to various vendors during the month of October. We will begin providing you with these registers monthly with the monthly financial statements. Should you have any questions regarding any of the disbursements please do not hesitate to give me a call.

**7. Recommendation:**

I would recommend that you approve the financial statements as presented.

*City of Meadowlakes*  
**Combined Balance Sheet**  
**As of October 31, 2012**

**ASSETS**

	Utility Fund	Debt Service	Capital Projects	General Fund	Recreation Fund	Total
<b>Current Assets</b>						
<b>Operating Cash</b>						
Petty Cash	\$ 600	\$ -	\$ -	\$ 150	\$ -	\$ 750
Checking	\$ 43,906	\$ -	\$ -	\$ 35,180	\$ 8,199	\$ 87,286
Money Markets/CD's	\$ 415,864	\$ 25,469	\$ 1,000	\$ 261,000		\$ 703,333
<b>Total Operating Cash</b>	<b>\$ 460,370</b>	<b>\$ 25,469</b>	<b>\$ 1,000</b>	<b>\$ 296,330</b>	<b>\$ 8,199</b>	<b>\$ 791,368</b>
						\$ -
<b>Accounts Receivable</b>						\$ -
Long Term Receivables	\$ 288,394	\$ -	\$ -	\$ 200	\$ 200	\$ 288,794
Current Receivables	\$ 75,240		\$ -	\$ 11,712		\$ 86,951
<b>Total Receivables</b>	<b>\$ 363,634</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,912</b>	<b>\$ 200</b>	<b>\$ 375,745</b>
<b>Inventory</b>	<b>\$ 26,704</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,704</b>
<b>Total Current Assets</b>	<b>\$ 850,708</b>	<b>\$ 25,469</b>	<b>\$ 1,000</b>	<b>\$ 308,242</b>	<b>\$ 8,399</b>	<b>\$ 1,193,818</b>
<b>Fixed Assets</b>						
Other Fixed Assets	\$ 6,529,232	\$ -	\$ -	\$ -	\$ 152,709	\$ 6,681,941
Accumulated Depreciation	\$ (2,969,499)	\$ -	\$ -	\$ -	\$ -	\$ (2,969,499)
Golf Course Improvements	\$ 272,352	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fixed Assets</b>	<b>\$ 3,832,085</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 152,709</b>	<b>\$ 3,984,794</b>
<b>TOTAL ASSETS</b>	<b>\$ 4,682,793</b>	<b>\$ 25,469</b>	<b>\$ 1,000</b>	<b>\$ 308,242</b>	<b>\$ 161,109</b>	<b>\$ 5,178,612</b>

*City of Meadowlakes*  
**Combined Balance Sheet**  
**As of October 31, 2012**

**LIABILITIES & EQUITY**

	Utility Fund	Debt Service	Capital Projects	General Fund	Recreation Fund	Total
<b>Current Liabilities</b>						
Accounts Payable	\$ (897,446)	\$ -	\$ -	\$ 9,857	\$ 1,822	\$ (885,767)
Deferred Revenues	\$ -	\$ -	\$ -	\$ 11,712		\$ 11,712
Current Portion of Bond Payable	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Service Deposits Payable	\$ 73,733	\$ -	\$ -	\$ -	\$ -	\$ 73,733
<b>Total Current Liabilities</b>	<b>\$ (573,713)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,569</b>	<b>\$ 1,822</b>	<b>\$ (550,322)</b>
<b>Reserve Funds</b>						
Golf Course Improvement	\$ -	\$ -	\$ -	\$ -	\$ 6,554	\$ 6,554
Vehicle & Machinery Replacement	\$ 17,127	\$ -	\$ -	\$ -	\$ -	\$ 17,127
Judicial Discretionary Funds	\$ -	\$ -	\$ -	\$ 371	\$ -	\$ 371
Unemployment Reserve Fund	\$ -	\$ -	\$ -	\$ 2,750	\$ -	\$ 2,750
Facilities Replacement Fund	\$ -	\$ -	\$ -	\$ 36,345	\$ -	\$ 36,345
<b>Total Reserve Funds</b>	<b>\$ 17,127</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,466</b>	<b>\$ 6,554</b>	<b>\$ 63,146</b>
<b>Long Term Liabilities</b>						
2008 General Obligation Bonds	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ 260,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Long Term Liabilities</b>	<b>\$ 260,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 260,000</b>
<b>Prior Period Adjustments</b>	<b>\$ 296,586</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 99,677</b>	<b>\$ 396,263</b>
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61,035</b>	<b>\$ 108,053</b>	<b>\$ 169,087</b>
<b>Equity</b>						
Retained Earnings	\$ 230,224	\$ -	\$ -	\$ 178,218	\$ (57,028)	\$ 351,414
Fund Balance	\$ 180,682	\$ -	\$ -	\$ 83,493		\$ 264,175
Reserve for Inventories	\$ 21,711	\$ -	\$ -	\$ -		\$ 21,711
Fixed Assets	\$ 3,316,343	\$ -	\$ -	\$ -	\$ 76,084	\$ 3,392,427
Debt Service Fund	\$ -	\$ 16,367	\$ -	\$ -	\$ 33,375	\$ 49,742
Capital Projects Fund	\$ -	\$ -	\$ 480	\$ -	\$ -	\$ 480
Net Income	\$ 377	\$ 14,046	\$ 1,000	\$ (14,506)	\$ 625	\$ 1,542
	<b>\$ 3,749,337</b>	<b>\$ 30,413</b>	<b>\$ 1,480</b>	<b>\$ 247,206</b>	<b>\$ 53,056</b>	<b>\$ 4,081,492</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 3,749,337</b>	<b>\$ 30,413</b>	<b>\$ 1,480</b>	<b>\$ 308,241</b>	<b>\$ 161,109</b>	<b>\$ 4,250,579</b>

# City of Meadowlakes

## Utility Fund

### Profit & Loss

October 2012

#### Income

	Oct '12	Budget Oct '12	Oct-Sept 13	Budget Oct-Sept 13
5010 · Water Revenue	\$ 31,529	\$ 36,000	\$ 31,735	\$ 36,000
5020 · Sewer Revenues	\$ 37,624	\$ 37,300	\$ 37,667	\$ 37,300
5030 · Garbage Revenue	\$ 16,352	\$ 16,350	\$ 16,392	\$ 16,350
5040 · Pump Fee Revenue	\$ 1	\$ -	\$ 1	\$ -
5110 · Contract Services	\$ 6,667	\$ 6,667	\$ 6,667	\$ 6,667
5120 · Water Connect Fee Revenue	\$ 725	\$ 725	\$ 725	\$ 725
5130 · Sewer Connect Fee Revenue	\$ 725	\$ 725	\$ 725	\$ 725
5140 · Transfer Fee	\$ 75	\$ 175	\$ 75	\$ 175
5150 · Penalty & Interest Earned	\$ 616	\$ 520	\$ 675	\$ 520
5170 · Miscellaneous Revenues	\$ 36	\$ 125	\$ 11	\$ 125
5200 · Interest earned on Investments	\$ -	\$ 175	\$ -	\$ 175
<b>Total Income</b>	<b>\$ 94,349</b>	<b>\$ 98,762</b>	<b>\$ 94,673</b>	<b>\$ 98,762</b>

#### Expense

6100 · Employee Expenses				
Total 6110 · Salaries & Wages	\$ 22,489	\$ 23,075	\$ 22,489	\$ 23,075
Total 6111 · Other Employee Expenses	\$ 12,797	\$ 13,270	\$ 12,797	\$ 13,270
Total 6100 · Employee Expenses	\$ 35,286	\$ 36,345	\$ 35,286	\$ 36,345
Total 6200 · Administrative Expenses	\$ 20,085	\$ 17,900	\$ 20,085	\$ 17,900
6300 · Operating Expenses				
Total 6301 · Water Treatment Operational Exp	\$ 4,708	\$ 7,175	\$ 4,708	\$ 7,175
Total 6302 · Wastewater Operational Expenses	\$ 3,327	\$ 6,300	\$ 3,327	\$ 6,300
Total 6303 · Other Operational Expenses	\$ 723	\$ 2,700	\$ 724	\$ 2,700
Total 6300 · Operating Expenses	\$ 8,757	\$ 16,175	\$ 8,758	\$ 16,175
Total 6400 · POA Contract Mowing Expense	\$ 61	\$ 400	\$ 61	\$ 400
Total 6500 · Other Expenses-Garbage	\$ 14,233	\$ 14,400	\$ 14,233	\$ 14,400
<b>Net Operating Expenses</b>	<b>\$ 78,422</b>	<b>\$ 85,220</b>	<b>\$ 78,423</b>	<b>\$ 85,220</b>
<b>Net Operating Gain/(Loss)</b>	<b>\$ 15,927</b>	<b>\$ 13,542</b>	<b>\$ 16,250</b>	<b>\$ 13,542</b>
<b>Total 8200 · Transfer to Other Funds</b>	<b>\$ 15,550</b>	<b>\$ 13,550</b>	<b>\$ 15,550</b>	<b>\$ 13,550</b>
<b>Net Fund Gain/(Loss)</b>	<b>\$ 377</b>	<b>\$ (8)</b>	<b>\$ 700</b>	<b>\$ (8)</b>

# City of Meadowlakes

## Utility Fund

### Profit & Loss

October 2012

	Oct '12	Budget Oct '12	Oct-Sept 13	Budget Oct-Sept 13
<b>Income</b>				
5010 · Water Revenue	\$ 31,529	\$ 36,000	\$ 31,735	\$ 36,000
5020 · Sewer Revenues	\$ 37,624	\$ 37,300	\$ 37,667	\$ 37,300
5030 · Garbage Revenue	\$ 16,352	\$ 16,350	\$ 16,392	\$ 16,350
5040 · Pump Fee Revenue	\$ 1	\$ -	\$ 1	\$ -
5110 · Contract Services	\$ 6,667	\$ 6,667	\$ 6,667	\$ 6,667
5120 · Water Connect Fee Revenue	\$ 725	\$ 725	\$ 725	\$ 725
5130 · Sewer Connect Fee Revenue	\$ 725	\$ 725	\$ 725	\$ 725
5140 · Transfer Fee	\$ 75	\$ 175	\$ 75	\$ 175
5150 · Penalty & Interest Earned	\$ 616	\$ 520	\$ 675	\$ 520
5170 · Miscellaneous Revenues	\$ 36	\$ 125	\$ 11	\$ 125
5200 · Interest earned on Investments		\$ 175		\$ 175
<b>Total Income</b>	<b>\$ 94,349</b>	<b>\$ 98,762</b>	<b>\$ 94,673</b>	<b>\$ 98,762</b>
<b>Expense</b>				
<b>6100 · Employee Expenses</b>				
6110 · Salaries & Wages				
6410 · Salaries Exempt Employees	\$ 6,449	\$ 8,075	\$ 6,449	\$ 8,075
6415 · Salaries & Wages-Non-Exempt	\$ 15,419	\$ 14,500	\$ 15,419	\$ 14,500
6416 · Overtime & Standby Pay	\$ 621	\$ 500	\$ 621	\$ 500
6417 · Longevity Pay-Exempt/Non-Exempt	\$ -	\$ -	\$ -	\$ -
6518 · Reserve Payroll Exp.	\$ -	\$ -	\$ -	\$ -
<b>Total 6110 · Salaries &amp; Wages</b>	<b>\$ 22,489</b>	<b>\$ 23,075</b>	<b>\$ 22,489</b>	<b>\$ 23,075</b>
<b>6111 · Other Employee Expenses</b>				
6116 · Unemployment Expense	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750
6120 · FICA Expense	\$ 1,720	\$ 1,750	\$ 1,720	\$ 1,750
6140 · Worker's Compensation Insurance	\$ 4,815	\$ 5,100	\$ 4,815	\$ 5,100
6150 · Employee Insurance Expenses	\$ 3,908	\$ 3,800	\$ 3,908	\$ 3,800
6160 · Employee Retirement Expense	\$ 151	\$ 300	\$ 151	\$ 300
6170 · Employee Uniform Expense	\$ 323	\$ 275	\$ 323	\$ 275
6180 · Employee Training & Travel Exp	\$ 105	\$ 275	\$ 105	\$ 275
6560 · Payroll Expenses	\$ 25	\$ 20	\$ 25	\$ 20
<b>Total 6111 · Other Employee Expenses</b>	<b>\$ 12,797</b>	<b>\$ 13,270</b>	<b>\$ 12,797</b>	<b>\$ 13,270</b>
<b>Total 6100 · Employee Expenses</b>	<b>\$ 35,286</b>	<b>\$ 36,345</b>	<b>\$ 35,286</b>	<b>\$ 36,345</b>

# City of Meadowlakes

## Utility Fund

### Profit & Loss

October 2012

	Oct '12	Budget Oct '12	Oct-Sept 13	Budget Oct-Sept 13
<b>6200 - Administrative Expenses</b>				
6210 - Auditing Expense	\$ 1,557	\$ -	\$ 1,557	\$ -
6225 - Misc. Dues & Fees				
6226 - TECQ Fees	\$ 1,583	\$ -	\$ 1,583	\$ -
6227 - Other Misc. Dues & Fees	\$ 100	\$ -	\$ 100	\$ -
<b>Total 6225 - Misc. Dues &amp; Fees</b>	<b>\$ 1,683</b>	<b>\$ -</b>	<b>\$ 1,683</b>	<b>\$ -</b>
6235 - Computer/Office Equip R&M	\$ 261	\$ 175	\$ 261	\$ 175
6240 - Software Update	\$ -	\$ -	\$ -	\$ -
6245 - Office Equipment Rental	\$ -	\$ 100	\$ -	\$ 100
6250 - Office Supplies	\$ 467	\$ 200	\$ 467	\$ 200
6255 - Postage Expense	\$ -	\$ 300	\$ -	\$ 300
6260 - Telephone Expense	\$ 177	\$ 450	\$ 177	\$ 450
6270 - Insurance - GL & Property	\$ 15,752	\$ 16,500	\$ 15,752	\$ 16,500
6280 - Bad Debts	\$ -	\$ -	\$ -	\$ -
6282 - Administrative-Miscellaneous	\$ 189	\$ 175	\$ 189	\$ 175
<b>Total 6200 - Administrative Expenses</b>	<b>\$ 20,085</b>	<b>\$ 17,900</b>	<b>\$ 20,085</b>	<b>\$ 17,900</b>
<b>6300 - Operating Expenses</b>				
6301 - Water Treatment Operational Exp				
6305 - Water Treatment Electrical	\$ 2,719	\$ 3,000	\$ 2,719	\$ 3,000
6310 - Heating Fuel-WTP	\$ -	\$ -	\$ -	\$ -
6314 - R&M-Plant & Pump Station	\$ 80	\$ 3,000	\$ 80	\$ 3,000
6316 - WTP Chemical Expense	\$ 997	\$ 500	\$ 997	\$ 500
6320 - Water Outside Testing Expense	\$ -	\$ 175	\$ -	\$ 175
6328 - Distribution Repair & Maint.	\$ 352	\$ 500	\$ 352	\$ 500
6355 - Meter Purchased	\$ 560	\$ -	\$ 560	\$ -
6360 - Tap Materials-Water		\$ -		\$ -
<b>Total 6301 - Water Treatment Operational Exp</b>	<b>\$ 4,708</b>	<b>\$ 7,175</b>	<b>\$ 4,708</b>	<b>\$ 7,175</b>
6302 - Wastewater Operational Expenses				
6304 - Wastewater Electrical	\$ 2,301	\$ 2,300	\$ 2,301	\$ 2,300
6311 - Propane-Wastewater	\$ -	\$ -	\$ -	\$ -
6317 - WWTP Chemicals	\$ -	\$ 500	\$ -	\$ 500
6318 - Outside Testing Wastewater	\$ -	\$ 250	\$ -	\$ 250
6321 - Collection System R&M	\$ 18	\$ -	\$ 18	\$ -
6322 - Irrigation Maintenance Expense	\$ -	\$ 625	\$ -	\$ 625
6324 - Irrigation Electric Subsidy	\$ 625	\$ 625	\$ 625	\$ 625

# City of Meadowlakes

## Utility Fund

### Profit & Loss

#### October 2012

	Oct '12	Budget Oct '12	Oct-Sept 13	Budget Oct-Sept 13
6327 · WWTP Repair & Maintenance	\$ 383	\$ 2,000	\$ 383	\$ 2,000
<b>Total 6302 · Wastewater Operational Expenses</b>	<b>\$ 3,327</b>	<b>\$ 6,300</b>	<b>\$ 3,327</b>	<b>\$ 6,300</b>
<b>6303 · Other Operational Expenses</b>				
63031 · Repair & Maintenance-Other				
6329 · R&M-Building/Misc.	\$ 544	\$ 625	\$ 544	\$ 625
63291 · Drainage Repair & Maintenance	\$ 31	\$ -	\$ 32	\$ -
<b>Total 63031 · Repair &amp; Maintenance-Other</b>	<b>\$ 575</b>	<b>\$ 625</b>	<b>\$ 576</b>	<b>\$ 625</b>
6330 · Vehicle Repair & Maintenance	\$ 55	\$ 400	\$ 55	\$ 400
6332 · Mahan Property Upkeep		\$ -		\$ -
6335 · Machinery Repair & Maintenance	\$ 34	\$ 750	\$ 34	\$ 750
6340 · Vehicle & Machinery Fuel				
6341 · Vehicle Fuel	\$ -	\$ 750	\$ -	\$ 750
6342 · Machinery Fuel	\$ -	\$ -	\$ -	\$ -
<b>Total 6340 · Vehicle &amp; Machinery Fuel</b>	<b>\$ -</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 750</b>
6345 · Equipment Lease/Rental	\$ -	\$ -	\$ -	\$ -
6350 · Miscellaneous Operational Exp.	\$ 37	\$ 175	\$ 37	\$ 175
6365 · Small Tools	\$ 22	\$ -	\$ 22	\$ -
6550 · Assets Purchased less than \$5K	\$ -	\$ -	\$ -	\$ -
<b>Total 6303 · Other Operational Expenses</b>	<b>\$ 723</b>	<b>\$ 2,700</b>	<b>\$ 724</b>	<b>\$ 2,700</b>
<b>Total 6300 · Operating Expenses</b>	<b>\$ 8,757</b>	<b>\$ 16,175</b>	<b>\$ 8,758</b>	<b>\$ 16,175</b>
<b>6400 · POA Contract Mowing Expense</b>				
6420 · POA Equipment R&M	\$ 61	\$ 150	\$ 61	\$ 150
6430 · Consumable Supplies - POA		\$ -		\$ -
6450 · Fuel - POA		\$ 250		\$ 250
6460 · Small Tools - POA		\$ -		\$ -
<b>Total 6400 · POA Contract Mowing Expense</b>	<b>\$ 61</b>	<b>\$ 400</b>	<b>\$ 61</b>	<b>\$ 400</b>
<b>6500 · Other Expenses-Garbage</b>				
6510 · Garbage Service Expense	\$ 14,233	\$ 14,400	\$ 14,233	\$ 14,400
<b>Total 6500 · Other Expenses-Garbage</b>	<b>\$ 14,233</b>	<b>\$ 14,400</b>	<b>\$ 14,233</b>	<b>\$ 14,400</b>

# City of Meadowlakes

## Utility Fund

### Profit & Loss

#### October 2012

	<u>Oct '12</u>	<u>Budget Oct '12</u>	<u>Oct-Sept 13</u>	<u>Budget Oct-Sept 13</u>
<b>8200 - Transfer to Other Funds</b>				
8220 - Transfer to Debt Service Fund	\$ 13,550	\$ 12,550	\$ 13,550	\$ 12,550
8230 - Transfer to Construction Fund	\$ 1,000	\$ -	\$ 1,000	\$ -
8240 - Transfer to RCC Fund	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
6650 -Capital Purchased	\$ -		\$ -	
<b>Total 8200 - Transfer to Other Funds</b>	<u>\$ 15,550</u>	<u>\$ 13,550</u>	<u>\$ 15,550</u>	<u>\$ 13,550</u>
<b>Total Expense</b>	<b>\$ 93,972</b>	<b>\$ 98,770</b>	<b>\$ 93,973</b>	<b>\$ 98,770</b>
<b>Net Gain/Loss</b>	<u><u>\$ 377</u></u>	<u><u>\$ (8)</u></u>	<u><u>\$ 700</u></u>	<u><u>\$ (8)</u></u>

# City of Meadowlakes

## General Fund

### Profit Loss

October 2012

#### Income

	Oct '12	Budget Oct '12	Oct '11
Total 05-4100 · Taxes	\$ 12,537	\$ 27,800	\$ 39,908
Total 05-4200 · City Bldg Permits	\$ 300	\$ 150	\$ 200
Total 05-4300 · Judicial	\$ 459	\$ 250	\$ 90
Total 05-4400 · Interest Earned	\$ 27	\$ 50	\$ 116
Total 05-4600 · Other	\$ 108	\$ 150	\$ 140

#### Total Income

\$ 13,431	\$ 28,400	\$ 40,454
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#### Expense

Total 05-5000 · BCAD	\$ 29	\$ 100	\$ 125
Total 05-5100 · City Building Committee	\$ 125	\$ 200	\$ 125
Total 05-5200 · Ordinance Enforcement	\$ 595	\$ 1,175	\$ 926
Total 05-5300 · Animal Control	\$ 840	\$ 834	\$ 747
Total 05-5500 · Flood Plain Administrator	\$ -	\$ -	\$ -
Total 05-5600 · Traffic Control	\$ 3,042	\$ 3,525	\$ 3,212
Total 05-5700 · Municipal Court	\$ 345	\$ 475	\$ 440
Total 05-5800 · Legal	\$ -	\$ 400	\$ -
05-5900 · Administration-General Fund			
Total 05-6000 · Employee Expenditures	\$ 12,773	\$ 14,946	\$ 12,223
Total 05-6200 · Insurance	\$ 2,069	\$ 3,000	\$ 1,719
Total 05-6300 · Administrative Expenditures	\$ 1,147	\$ 1,860	\$ 3,903
Total 05-6400 · Municipal Building	\$ 1,185	\$ 1,750	\$ 2,056
Total 05-5900 · Administration-General Fund	\$ 17,174	\$ 21,556	\$ 19,901
Total 05-6600 · Contract Services-1	\$ 5,292	\$ 5,290	\$ 5,135
Total 05-6700 · Capital Outlay	\$ -	\$ -	\$ -

#### Net Operating Expenses

\$ 27,441	\$ 33,555	\$ 30,611
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#### Net Operating Gain/(Loss)

\$ (14,010)	\$ (5,155)	\$ 9,842
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#### Total 05-8500 · Transfers Out

\$ 496	\$ -	\$ 6,542
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#### 05-8520 · Contingency Fund Exp.

\$ -	\$ -	\$ -
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#### Net Fund Gain/(Loss)

\$ (14,506)	\$ (5,155)	\$ 3,300
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# City of Meadowlakes

## General Fund

### Profit Loss

#### Income

##### 05-4100 • Taxes

05-4120 • Ad Valorem Tax

05-4140 • PEC Franchise Tax

05-4160 • Cable Franchise Tax

05-4170 • Telephone Franchise Tax

05-4180 • Liquor Tax

##### Total 05-4100 • Taxes

##### 05-4200 • City Bldg Permits

05-4220 • Home Permits

05-4240 • Remodeling Permits

05-4260 • Fence & Decks Permits

05-4285 • Replats

##### Total 05-4200 • City Bldg Permits

##### 05-4300 • Judicial

05-4340 • Court Fines

05-4380 • Administrative Fee

##### Total 05-4300 • Judicial

##### 05-4400 • Interest Earned

05-4460 • Interest - Investments

##### Total 05-4400 • Interest Earned

##### 05-4600 • Other

05-4620 • Pet Registration Fee

05-4671 • Miscellaneous

##### Total 05-4600 • Other

#### Total Income

	Oct '12	Budget Oct '12	Oct '11
05-4100 • Taxes			
05-4120 • Ad Valorem Tax	\$ 1,198	\$ 15,000	\$ 27,144
05-4140 • PEC Franchise Tax	\$ 10,995	\$ 12,500	\$ 12,446
05-4160 • Cable Franchise Tax	\$ -	\$ -	\$ -
05-4170 • Telephone Franchise Tax	\$ 14	\$ -	\$ -
05-4180 • Liquor Tax	\$ 330	\$ 300	\$ 318
Total 05-4100 • Taxes	\$ 12,537	\$ 27,800	\$ 39,908
05-4200 • City Bldg Permits			
05-4220 • Home Permits	\$ 200	\$ -	\$ -
05-4240 • Remodeling Permits	\$ -	\$ 100	\$ 150
05-4260 • Fence & Decks Permits	\$ 100	\$ 50	\$ 50
05-4285 • Replats		\$ -	\$ -
Total 05-4200 • City Bldg Permits	\$ 300	\$ 150	\$ 200
05-4300 • Judicial			
05-4340 • Court Fines	\$ 459	\$ 250	\$ 90
05-4380 • Administrative Fee		\$ -	
Total 05-4300 • Judicial	\$ 459	\$ 250	\$ 90
05-4400 • Interest Earned			
05-4460 • Interest - Investments	\$ 27	\$ 50	\$ 116
Total 05-4400 • Interest Earned	\$ 27	\$ 50	\$ 116
05-4600 • Other			
05-4620 • Pet Registration Fee	\$ 100	\$ 150	\$ 140
05-4671 • Miscellaneous	\$ 8	\$ -	
Total 05-4600 • Other	\$ 108	\$ 150	\$ 140
Total Income	\$ 13,431	\$ 28,400	\$ 40,454

# City of Meadowlakes

## General Fund

### Profit Loss

#### Expense

##### 05-5000 - BCAD

05-5020 - Quarterly Expense

05-5040 - Collection Expense

05-5060 - Tax Hearing

##### Total 05-5000 - BCAD

##### 05-5100 - City Building Committee

05-5160 - Membership

05-5180 - Supplies

##### Total 05-5100 - City Building Committee

##### 05-5200 - Ordinance Enforcement

05-5225 - Ordinance Employee

05-5226 - Ordinance FICA/Med

05-5228 - Insurance - Worker's Comp

05-5274 - Mileage

05-5277 - Insurance - Auto Liability

05-5280 - Supplies

##### Total 05-5200 - Ordinance Enforcement

##### 05-5300 - Animal Control

05-5320 - Contract Agreement

05-5340 - Ins-Worker's Comp

05-5360 - Pet Holding Fee/Rabies

05-5380 - Supplies

##### Total 05-5300 - Animal Control

##### 05-5500 - Flood Plain Administrator

05-5510 - Meetings & Training

05-5520 - Membership

##### Total 05-5500 - Flood Plain Administrator

##### 05-5600 - Traffic Control

05-5610 - Salary & Wages

05-5615 - FICA/Med

05-5620 - Ins-Worker's Comp

05-5630 - Ins-Law Enf Liability

05-5650 - Misc. Traffic Control Exp.

##### Total 05-5600 - Traffic Control

Oct '12		Budget Oct '12		Oct '11	
\$	-	\$	-	\$	-
\$	29	\$	100	\$	125
		\$	-		
\$	29	\$	100	\$	125
\$	125	\$	200	\$	125
		\$	-		
\$	125	\$	200	\$	125
\$	510	\$	625	\$	533
\$	39	\$	50	\$	41
\$	22	\$	100	\$	-
\$	-	\$	200	\$	133
\$	-	\$	200	\$	170
\$	24	\$	-	\$	49
\$	595	\$	1,175	\$	926
\$	633	\$	634	\$	600
\$	185	\$	100	\$	80
\$	-	\$	50	\$	47
\$	22	\$	50	\$	20
\$	840	\$	834	\$	747
\$	-	\$	-	\$	-
\$	-	\$	-	\$	-
\$	-	\$	-	\$	-
\$	1,550	\$	2,000	\$	1,732
\$	119	\$	200	\$	170
\$	242	\$	300	\$	300
\$	1,131	\$	1,000	\$	1,010
\$	-	\$	25	\$	-
\$	3,042	\$	3,525	\$	3,212

# City of Meadowlakes

## General Fund

### Profit Loss

	Oct '12	Budget Oct '12	Oct '11
<b>05-5700 • Municipal Court</b>			
05-5705 • Education	\$ -	\$ 250	\$ 234
05-5720 • Prosecuting Attorney	\$ -	\$ -	\$ -
05-5725 • Bailiff Services	\$ -	\$ -	\$ -
05-5727 • Office Lease - Judge	\$ 200	\$ 200	\$ 200
05-5730 • Administrative Expense	\$ 145	\$ 25	\$ 6
<b>Total 05-5700 • Municipal Court</b>	<b>\$ 345</b>	<b>\$ 475</b>	<b>\$ 440</b>
<b>05-5800 • Legal</b>			
05-5810 • City Attorney-General	\$ -	\$ 400	\$ -
<b>Total 05-5800 • Legal</b>	<b>\$ -</b>	<b>\$ 400</b>	<b>\$ -</b>
<b>05-5900 • Administration-General Fund</b>			
<b>05-6000 • Employee Expenditures</b>			
05-6010 • Salary - Exempt	\$ 6,968	\$ 7,071	\$ 6,865
05-6015 • Salary - Non-exempt Employees	\$ 3,334	\$ 3,800	\$ 3,228
05-6025 • FICA/Medicare	\$ 788	\$ 850	\$ 770
05-6027 • Longevity Pay	\$ -	\$ -	\$ -
05-6030 • Reserve - Payroll	\$ -	\$ -	\$ -
05-6040 • Retirement	\$ 69	\$ 150	\$ 177
05-6045 • Health Insurance	\$ -	\$ 1,000	\$ 798
05-6046 • Disability	\$ -	\$ 100	\$ 73
05-6050 • Insurance - Worker's Comp	\$ 406	\$ 750	\$ 240
05-6052 • Payroll Expense	\$ 16	\$ 75	\$ 12
05-6070 • Unemployment Reserve Exp	\$ 1,000	\$ 1,000	\$ -
05-6071 • Training & Travel	\$ -	\$ -	\$ -
05-6072 • Dues and Memberships	\$ 192	\$ 150	\$ 60
05-6074 • Mileage Allowance	\$ -	\$ -	\$ -
<b>Total 05-6000 • Employee Expenditures</b>	<b>\$ 12,773</b>	<b>\$ 14,946</b>	<b>\$ 12,223</b>
<b>05-6200 • Insurance</b>			
05-6210 • Liability	\$ 740	\$ 1,500	\$ 629
05-6220 • Crime	\$ 165	\$ 500	\$ 164
05-6230 • Errors & Omissions	\$ 1,164	\$ 1,000	\$ 926
<b>Total 05-6200 • Insurance</b>	<b>\$ 2,069</b>	<b>\$ 3,000</b>	<b>\$ 1,719</b>
<b>05-6300 • Administrative Expenditures</b>			
05-6305 • Audit	\$ -	\$ -	\$ -
05-6310 • Election	\$ -	\$ -	\$ -
05-6320 • Office Supplies	\$ 91	\$ 700	\$ 281
05-6321 • Gifts, Flowers etc.	\$ -	\$ 50	\$ 57
05-6322 • Neighborhood Watch	\$ 300	\$ 250	\$ 61
05-6325 • Lease-Copier	\$ 124	\$ 150	\$ 24

# City of Meadowlakes

## General Fund

### Profit Loss

	Oct '12	Budget Oct '12	Oct '11
05-6326 • Office Equipment Repair & Maint	\$ -	\$ 50	\$ -
05-6330 • Postage	\$ 90	\$ -	\$ -
05-6340 • Memberships-Various	\$ 487	\$ 500	\$ 487
05-6350 • Telephone	\$ 55	\$ 60	\$ 53
05-6355 • Miscellaneous	\$ -	\$ 100	\$ 2,940
05-6365 • Website Hosting & Upgrade	\$ -	\$ -	\$ -
<b>Total 05-6300 • Administrative Expenditures</b>	<b>\$ 1,147</b>	<b>\$ 1,860</b>	<b>\$ 3,903</b>
<b>05-6400 • Municipal Building</b>			
05-6360 • Office Maintenance-Cleaning	\$ 260	\$ 250	\$ 260
05-6410 • Maintenance & Repair	\$ -	\$ 200	\$ 687
05-6420 • Electric Service	\$ -	\$ 300	\$ 283
05-6430 • Ins-Real Estate & Pers Prop	\$ 925	\$ 1,000	\$ 826
<b>Total 05-6400 • Municipal Building</b>	<b>\$ 1,185</b>	<b>\$ 1,750</b>	<b>\$ 2,056</b>
<b>Total 05-5900 • Administration-General Fund</b>	<b>\$ 17,174</b>	<b>\$ 21,556</b>	<b>\$ 19,901</b>
<b>05-6600 • Contract Services</b>			
05-6610 • Marble Falls EMS	\$ 2,792	\$ 2,790	\$ 2,792
05-6620 • Marble Falls Fire	\$ 2,500	\$ 2,500	\$ 2,343
<b>Total 05-6600 • Contract Services</b>	<b>\$ 5,292</b>	<b>\$ 5,290</b>	<b>\$ 5,135</b>
<b>05-6700 • Capital Outlay</b>			
05-6710 • Capital Purchases less than \$5K	\$ -	\$ -	\$ -
<b>Total 05-6700 • Capital Outlay</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expense</b>	<b>\$ 27,441</b>	<b>\$ 33,555</b>	<b>\$ 30,611</b>
<b>Net Fund Gain/(Loss)</b>	<b>\$ (14,010)</b>	<b>\$ (5,155)</b>	<b>\$ 9,842</b>
<b>Other Expense</b>			
<b>05-8500 • Transfers Out</b>			
05-8501 • Transfer to PWD Fund	\$ 496	\$ -	\$ 6,542
05-8502 • Transfer to RCC Fund	\$ -	\$ -	\$ -
<b>Total 05-8500 • Transfers Out</b>	<b>\$ 496</b>	<b>\$ -</b>	<b>\$ 6,542</b>
<b>05-8520 • Contingency Fund Exp.</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Other Expense</b>	<b>\$ 496</b>	<b>\$ -</b>	<b>\$ 6,542</b>
<b>Net Combined General Fund Income</b>	<b>\$ (14,506)</b>	<b>\$ (5,155)</b>	<b>\$ 3,300</b>

# *City of Meadowlakes*

## Debt Service Fund

### Profit Loss

October 2012

	<u>Oct '12</u>	<u>Year to Date</u>
<b>Income</b>		
<b>Debt Service Rev. (Transfers)</b>		
9001 · Transfer in from Utility	\$ 12,550	\$ 12,550
9002 · Transfer in from Tax	\$ 496	\$ 496
9003 · I&S Transfer In from Utility	\$ 1,000	\$ 1,000
<b>Total 9000 · Debt Service Rev. (Transfers)</b>	<u>\$ 14,046</u>	<u>\$ 14,046</u>
 <b>Expenses</b>		
<b>Debt Service Expenses</b>		
<b>9100 · Debt Service Expenses</b>		
9120 · 2008 Certificate of Obligations		
9125 · 2008 CO's- Interest	\$ -	\$ -
9127 · 2008 CO's-Principal	<u>\$ -</u>	<u>\$ -</u>
<b>Total 9120 · 2008 Certificate of Obligations</b>	<u>\$ -</u>	<u>\$ -</u>
 <b>9130 · 2008 General Obligations Bonds</b>		
9037 · 2008-GO's-Principal	\$ -	\$ -
9135 · 2008-GO's-Interest	<u>\$ -</u>	<u>\$ -</u>
<b>Total 9130 · 2008 General Obligations Bonds</b>	<u>\$ -</u>	<u>\$ -</u>
 <b>Total 9100 · Debt Service Expenses</b>	<u>\$ -</u>	<u>\$ -</u>
 <b>Net Fund Gain/(Loss)</b>	<u>\$ 14,046</u>	<u>\$ 14,046</u>

*City of Meadowlakes*  
Recreation and Country Club Fund  
Profit Loss

October 2012

	Oct '12	Budget Oct '12	Oct-Sept 13	Budget Oct-Sept 13
<b>Income</b>				
<b>03-5000 • Revenue</b>				
03-5092 • Lease Income	\$ 625	\$ 1,000	\$ 625	\$ 1,000
03-5096 • Miscellaneous Income	\$ -	\$ 5	\$ -	\$ 5
<b>Total 03-5000 • Revenue</b>	<b>\$ 625</b>	<b>\$ 1,005</b>	<b>\$ 625</b>	<b>\$ 1,005</b>
<b>Expense</b>				
<b>03-6800 • RCC Expenses</b>				
03-6801 • Miscellaneous Expenses	\$ -	\$ -	\$ -	\$ -
03-6803 • Maint., Repairs & Renovations	\$ -	\$ -	\$ -	\$ -
03-6805 • Capital Purchases less than \$5K	\$ -	\$ -	\$ -	\$ -
<b>Total 03-6800 • RCC Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Operating Gain/(Loss)</b>	<b>\$ 625</b>	<b>\$ 1,005</b>	<b>\$ 625</b>	<b>\$ 1,005</b>
<b>Transfer In/Out</b>				
<b>03-8010 • Transfer In from other Funds</b>				
03-8015 • Transfer In from General Fund		\$ 1,000	\$ -	\$ 1,000
03-8020 • Transfer in from Utility Fund				
<b>Total Transfer In/Out</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>
<b>Net Fund Gain/(Loss)</b>	<b>\$ 625</b>	<b>\$ 2,005</b>	<b>\$ 625</b>	<b>\$ 2,005</b>

# *City of Meadowlakes*

## Capital Improvement

### Fund

### Profit Loss

October 2012

	<u>Year to Date</u>	<u>Budgeted FY13</u>
<b>Income</b>		
9050 · Capital Improvement		
9055 · Transfer from Utility Fund	\$ 1,000	\$ 56,000
9057 · Lease/Purchase Agreement	\$ -	\$ 300,000
<b>Total Income</b>	<b>\$ 1,000</b>	<b>\$ 356,000</b>
<b>Expense</b>		
9200 · Capital Improvmenets		
9030 · Tankage	\$ -	\$ 224,000
9210 · Engineering	\$ -	\$ 34,000
9220 · Foundation	\$ -	\$ 23,000
9240 · Electrical and Controls	\$ -	\$ 7,000
9250 · Yard Piping	\$ -	\$ 35,000
9260 · Contingencies	\$ -	\$ 29,000
9270 · Inspecting/Testing	\$ -	\$ 4,000
<b>Total Expenses</b>	<b>\$ -</b>	<b>\$ 356,000</b>
<b>Net Fund Gain/(Loss)</b>	<b>\$ 1,000</b>	<b>\$ -</b>

# City of Meadowlakes - Utility (Public Works) Fund

## Operating Cash Flow Analysis

	Oct-12	Nov-12	Dec-12	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12
<b>Beginning Cash Balance</b>	\$ 448,787	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768
<b>Cash Inflows (Income)</b>												
Account Receivables	\$ 95,232											
Loan Proceeds	\$ -											
Contract Services	\$ 6,667											
Customer Deposits Etc.	\$ 300											
Miscellaneous	\$ 1,535											
<b>Total Cash Inflows</b>	\$ 103,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Available Cash Balance</b>	\$ 552,521	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768
<b>Normal Cash Outflows (Operating Expenses)</b>												
Prior Months Payables/Misc.	\$ 13,324											
Employee Expenses	\$ 35,942											
Administrative Expenses	\$ 17,836											
Operating Expenses	\$ 20,689											
Mowing Contract Expenses	\$ 179											
Solid Waste Collection Expense	\$ 14,233											
<b>Total Operating Cashflow Out</b>	\$ 102,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Cash Outflows:</b>												
Transfer to Debt Service	\$ 13,550											
Transfer to Construction	\$ 1,000											
Transfer to RCC Fund	\$ -											
<b>Total Transfer Out</b>	\$ 14,550											
<b>Total Cash Outflows</b>	\$ 116,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Ending Cash Balance</b>	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768	\$ 435,768
<b>Difference Beginning to End Cash</b>	\$ (13,019)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Total Cash Increase/(Decrease) since beginning of Fiscal Year** **\$ (13,019)**

(Please note that monthly cash beginning balance may different slightly from previous months reports due to interest earned not being posted)

# City of Meadowlakes - Debt Service Fund

## Operating Cash Flow Analysis

	Oct-12	Nov-12	Dec-12	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12
Beginning Cash Balance	\$ 11,422	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468
Cash Inflows (Income)												
Property Tax Income	\$ 496											
Transfer if from Utility Fund	\$ 13,550											
Total Cash Flow In	\$ 14,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Available Cash Balance	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468
Cash Outflow (Expenses)												
2013 Lease/Purchase-Tank												
Interest 2013 Lease/Purchase	\$ -											
Principal 2013 Lease/Purchase	\$ -											
Total 2013 Lease/Purchase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008 Certificate of Obligations Bonds												
Interest 2008 CO Bonds	\$ -											
Principal 2008 CO Bonds	\$ -											
Total 2008 CO Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008 General Obligations Bonds												
Interest 2008 GO Bonds	\$ -											
Principal 2008 GO Bonds	\$ -											
Total 2008 GO Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Flow Out	\$ -											
Ending Cash Balance	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468	\$ 25,468
Difference Beginning to End Cash												
Total Cash Increase/(Decrease) since beginning of Fiscal Year	\$ 14,046											

# City of Meadowlakes - General Fund

## Operating Cash Flow Analysis

	Oct-12	Nov-12	Dec-12	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12
Beginning Cash Balance	\$ 309,333	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180
Cash Inflows (Income)												
Ad Valorem Tax	\$ 1,198											
Franchise Tax	\$ 11,008											
Misc.	\$ 4,619											
Total Cash In	\$ 16,825											
Total Available Cash	\$ 326,158	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180
Cash Outflow (Expenses)												
Misc./prior payables	\$ 2,041											
Tax Collection/Appraisal	\$ 29											
Building Committee	\$ 125											
Ordinance Enforcement	\$ 595											
Animal Control	\$ 840											
Traffic Control	\$ 3,041											
Court Expense	\$ 345											
Employee Expenses	\$ 12,773											
Administrative Expense	\$ 4,401											
Emergency Services	\$ 5,292											
Transfers Out	\$ 496											
Total Cash Outflows	\$ 29,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180	\$ 296,180
Difference Beginning to End Cash	\$ (13,153)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Increase/(Decrease) since beginning of Fiscal Year					\$ (13,153)							

# City of Meadowlakes

## Check Register

October 2012

Date	Num	Name	Memo	Amount	Balance
<b>Utility (Public Works) Fund</b>					
<b>1000 - Operating Cash</b>					<b>\$ 22,093.79</b>
10/01/2012		Transfer to Payroll	Employee medical insurance	\$ (3,907.91)	\$ 18,185.88
10/04/2012	13223	City of Meadowlakes-General Fund	Transfer to unemployment reserve	\$ (1,750.00)	\$ 16,435.88
10/04/2012	13224	City of Meadowlakes - RCC Petty Cash	PFC-Electric subsidy	\$ (625.00)	\$ 15,810.88
10/04/2012	13225	DPC	Chemicals-water and wastewater	\$ (288.30)	\$ 15,522.58
10/04/2012	13226	Ferguson Enterprises	Repair and maintenance	\$ (172.43)	\$ 15,350.15
10/04/2012	13227	Foxworth-Galbraith	Repair and maintenance	\$ (181.02)	\$ 15,169.13
10/04/2012	13228	Home Depot Credit Services	Repair and maintenance	\$ (609.01)	\$ 14,560.12
10/04/2012	13229	LCRA	PFC-water agreement-reimbursed by PFC	\$ (4,266.20)	\$ 10,293.92
10/04/2012	13230	Marble Falls Ace Hardware	Repair and maintenance	\$ (693.53)	\$ 9,600.39
10/04/2012	13231	Marble Falls Napa	Machinery repair and maintenance	\$ (39.08)	\$ 9,561.31
10/04/2012	13232	Mike Williams	Reimburse travel-Flood Plain class	\$ (260.70)	\$ 9,300.61
10/04/2012	13233	PEC	Electric water and wastewater	\$ (6,062.65)	\$ 3,237.96
10/04/2012	13234	Professional Turf Products, LP	Irrigation system repair and maintenance	\$ (3,214.16)	\$ 23.80
10/04/2012	13235	TCEQ	Miscellaneous fees	\$ (111.00)	\$ (87.20)
10/04/2012	13236	TML	Insurance-PFC and General fund reimburses PWD	\$ (44,503.85)	\$ (44,591.05)
10/04/2012	13237	Visa	Travel, office supplies, miscellaneous admin.	\$ (740.63)	\$ (45,331.68)
10/04/2012	10/4 pr		Payroll Transfer	\$ (11,880.01)	\$ (57,211.69)
10/04/2012			Funds Transfer In	\$ 75,000.00	\$ 17,788.31
10/05/2012	13238	TCEQ	Training-Testing fees	\$ (111.00)	\$ 17,677.31
10/05/2012	13239	TCEQ	Training-Testing fees	\$ (111.00)	\$ 17,566.31
10/11/2012	13240	Allied Waste Services #843	Payable-Solid waste contract	\$ (14,232.89)	\$ 3,333.42
10/11/2012	13241	Cheryl Smith	Reimburse deposit less final billing	\$ (22.54)	\$ 3,310.88
10/11/2012	13242	Debbie Holley	Travel-mileage	\$ (29.14)	\$ 3,281.74
10/11/2012	13243	Don's Grass	Repair and maintenance	\$ (31.50)	\$ 3,250.24
10/11/2012	13244	Ferguson Enterprises	Repair and maintenance	\$ (30.08)	\$ 3,220.16
10/11/2012	13245	Grainger	Repair and maintenance	\$ (109.89)	\$ 3,110.27

# City of Meadowlakes

## Check Register

October 2012

10/11/2012	13246	HACH	Water plant repair & maintenance	\$ (1,153.50)	\$ 1,956.77
10/11/2012	13247	LCRA	PFC-water agreement-reimbursed by PFC	\$ (2,097.25)	\$ (140.48)
10/11/2012	13248	Lowe's	Repair and maintenance	\$ (24.97)	\$ (165.45)
10/11/2012	13249	Mueller, Inc.	Repair and maintenance	\$ (23.68)	\$ (189.13)
10/11/2012	13250	Quill	Office supplies	\$ (452.83)	\$ (641.96)
10/11/2012	13251	San Saba Fire Safety Equipment, Inc.	Miscellaneous repair and maintenance	\$ (155.00)	\$ (796.96)
10/11/2012	13252	Sprint	Telephone-long distance	\$ (31.76)	\$ (828.72)
10/11/2012	13253	Tractor Supply	Repair and maintenance	\$ (118.12)	\$ (946.84)
10/11/2012	13254	Xerox	Copier rental	\$ (96.16)	\$ (1,043.00)
10/15/2012			Deposit	\$ 18,957.36	\$ 17,914.36
10/17/2012	13255	American Bank of Texas, NA	Establish tax account	\$ (100.00)	\$ 17,814.36
10/17/2012	13256	American Bank of Texas, NA	Construction - new acct	\$ (1,000.00)	\$ 16,814.36
10/17/2012	13257	American Bank of Texas, NA	Establish I&S account	\$ (1,000.00)	\$ 15,814.36
10/18/2012	13258	DPC	Chemicals-water and wastewater	\$ (288.30)	\$ 15,526.06
10/18/2012	13259	GE Capital Retail Bank	Building repair & maintenance	\$ (1,511.20)	\$ 14,014.86
10/18/2012	13260	Quill	Office supplies	\$ (147.98)	\$ 13,866.88
10/18/2012	13261	Sprint PCS	Telephone-cell	\$ (242.10)	\$ 13,624.78
10/18/2012	13262	Techline Pipe L.P.	Meter purchased	\$ (1,100.80)	\$ 12,523.98
10/18/2012	13263	USA Bluebook	Payable-Wastewater collection repair & maint.	\$ (3,153.63)	\$ 9,370.35
10/18/2012	13264	Valero	Fuel	\$ (50.29)	\$ 9,320.06
10/18/2012	13265	Verizon Southwest	Telephone	\$ (222.91)	\$ 9,097.15
10/18/2012	13266	Visa	Travel, repair & maintenance, receivables	\$ (802.71)	\$ 8,294.44
10/18/2012	13267	Wright Express FBC	Fuel	\$ (363.66)	\$ 7,930.78
10/18/2012			Funds Transfer In	\$ 50,000.00	\$ 57,930.78
10/18/2012	10/18 pr		Payroll Transfer	\$ (12,504.98)	\$ 45,425.80
10/25/2012	13268	Debbie Holley	Travel -mileage	\$ (34.52)	\$ 45,391.28
10/25/2012	13269	Ferguson Enterprises	Repair and maintenance	\$ (13.78)	\$ 45,377.50
10/25/2012	13270	Grainger	Repair and maintenance	\$ (67.84)	\$ 45,309.66
10/25/2012	13271	Heritage Electrical Services, Inc.	Payable -Building repair & maintenance	\$ (557.63)	\$ 44,752.03

# City of Meadowlakes

## Check Register

October 2012

10/25/2012	13272	Interstate All Battery Center	Machinery repair and maintenance	\$ (60.95)	\$ 44,691.08
10/25/2012	13273	Quill	Office supplies	\$ (89.97)	\$ 44,601.11
10/25/2012	13274	Service Title	Miscellaneous-title search	\$ (135.00)	\$ 44,466.11
10/25/2012	13275	Techline Pipe L.P.	Repair and maintenance	\$ (560.00)	\$ 43,906.11
10/29/2012		various	VOID:	\$ -	\$ 43,906.11
				<u>\$ 21,812.32</u>	<u>\$ 43,906.11</u>
				<u>\$ 21,812.32</u>	<u>\$ 43,906.11</u>
				<u><u>\$ 21,812.32</u></u>	<u><u>\$ 43,906.11</u></u>

## General Fund

### 05-1015 - American Bank of Texas-Checking

10/02/2012	6055	Marble Falls Area EMS Inc.	October Payment Contract 10/1/12-9/30/13	\$ (2,791.66)	\$ 13,300.67
10/02/2012	6056	Marble Falls Area Fire Dept. Inc.	October Payment Contract 10/1/12-9/30/13	\$ (2,500.00)	\$ 10,509.01
10/02/2012	6057	Adams, Don	Lease - October	\$ (200.00)	\$ 8,009.01
10/02/2012	6058	Preston, Pat	Payable-September Mileage	\$ (177.65)	\$ 7,809.01
10/02/2012	6059	Texas Municipal League	Annual Dues	\$ (487.00)	\$ 7,631.36
10/02/2012	6060	Pedernales Electric Coop	Payable-September office electrical expense	\$ (240.49)	\$ 7,144.36
10/02/2012	6061	Visa	Postage, office supplies, misc. admin expense	\$ (133.24)	\$ 6,903.87
10/02/2012	6062	American Restoration & Kleening Inc.	Payable-office cleaning	\$ (289.20)	\$ 6,770.63
10/03/2012			Funds Transfer In	\$ (289.20)	\$ 6,481.43
10/03/2012	6063	Meadowlakes Public Works Division	Annual insurance expense-property, crime etc.	\$ 35,000.00	\$ 41,481.43
10/03/2012	6064	Burnet Veterinary Clinic Inc.	Payable-animal control-rabies testing	\$ (4,979.34)	\$ 36,502.09
10/04/2012	843		Transfer Payroll out	\$ (90.00)	\$ 36,412.09
10/09/2012	6065	International Code Council	Annual Dues	\$ (5,771.57)	\$ 30,640.52
10/09/2012	6066	Lang, Gaye	Reimbursement neighborhood watch	\$ (125.00)	\$ 30,515.52
10/09/2012	6067	Xerox Corporation	Copier lease	\$ (100.00)	\$ 30,415.52
				\$ (124.46)	\$ 30,291.06

# City of Meadowlakes

## Check Register

October 2012

10/09/2012	6068	Marble Falls Police Department	Payable-Animal control-boarding	\$ (113.50)	\$ 30,177.56
10/09/2012	6069	Highland Lakes Newspapers	Payable-legal notice publications	\$ (476.16)	\$ 29,701.40
10/09/2012	6070	Boys & Girls Club	Payable-Neighborhood Watch	\$ (200.00)	\$ 29,501.40
10/09/2012	6071	Meadowlakes Public Works Division	Reimbursement telephone	\$ (46.35)	\$ 29,455.05
10/09/2012	6072	Meadowlakes Public Works Division-Tax	Ad Valorem Tax 9/30/12 transfer	\$ (34.53)	\$ 29,420.52
10/15/2012			Deposit	\$ 3,041.47	\$ 32,461.99
10/15/2012			Deposit	\$ 10,994.58	\$ 43,456.57
10/15/2012	6073	Omni base Services of Texas	Payable-Misc. Court Cost	\$ (132.00)	\$ 43,324.57
10/15/2012	6074	Credit Card Center	Miscellaneous-Ammonal control and Ordinance Enf.	\$ (45.97)	\$ 43,278.60
10/15/2012	6075	Capital Area Council of Governments	2013 Annual Dues	\$ (192.30)	\$ 43,086.30
10/15/2012	6076	McCreary, Veselka, Bragg & Allen	Payable-BCAD expense-legal collection	\$ (28.89)	\$ 43,057.41
10/15/2012			Deposit	\$ 1,197.98	\$ 44,255.39
10/18/2012	845		Payroll Transfer	\$ (5,946.52)	\$ 38,308.87
10/19/2012			Deposit	\$ 330.34	\$ 38,639.21
10/22/2012	6077	McKamie Krueger, LLP	VOID: Inv #7054	\$ -	\$ 38,639.21
10/22/2012	6078	Westel	VOID:	\$ -	\$ 38,639.21
10/22/2012	6079	Meadowlakes Public Works Division-Tax	Ad Valorem Tax 10/15/12	\$ (461.17)	\$ 38,178.04
10/23/2012			Deposit	\$ 258.00	\$ 38,436.04
10/24/2012	6080	McKamie Krueger, LLP	Payable-legal	\$ (1,302.00)	\$ 37,134.04
10/24/2012	6081	Westel	Payable-telephone	\$ (8.62)	\$ 37,125.42
10/24/2012	6082	State Comptroller	Payable-3rd quarter	\$ (380.00)	\$ 36,745.42
10/30/2012	847		Transfer Payroll	\$ (1,674.38)	\$ 35,071.04
10/31/2012	6083	Spotless Cleaning	Payable-office cleaning	\$ (260.00)	\$ 34,811.04
10/31/2012	6084	Galaway, Robbie	Animal control contract	\$ (633.33)	\$ 34,177.71
10/31/2012			Deposit	\$ 1,002.45	\$ 35,180.16
				<u>\$ 21,879.49</u>	<u>\$ 35,180.16</u>
				<u><u>\$ 21,879.49</u></u>	<u><u>\$ 35,180.16</u></u>

# City of Meadowlakes

## Check Register

October 2012

### 03-1010-Petty Cash Checking Account

10/02/2012  
10/05/2012  
10/05/2012  
10/15/2012  
10/19/2012      1912   City of Meadowlakes PWD  
10/07/2012  
10/08/2012

### Recreation and Country Club Fun

			\$	5,163.27
Deposit-Donation Golf Course Improvement Fund	\$	436.00	\$	5,599.27
Deposit-Lease portion paid by PWD	\$	625.00	\$	6,224.27
Deposit-Donation Golf Course Improvement Fund	\$	25.00	\$	6,249.27
Deposit-Donation Golf Course Improvement Fund	\$	100.00	\$	6,349.27
Reimbursement paving bricks	\$	(175.00)	\$	6,174.27
Deposit-Donation Golf Course Improvement Fund	\$	20.00	\$	6,194.27
Deposit-Donation Golf Course Improvement Fund	\$	2,005.00	\$	8,199.27
	\$	3,036.00	\$	8,199.27
	\$	3,036.00	\$	8,199.27

*City of Meadowlakes*  
**Items for Consideration  
City Council Meeting  
November 13, 2012**

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**Item: VI-A**

**Date:** November 5, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Johnnie Thompson, City Manager

**Agenda Item:** **VII-A –Ordinance 2012-10-Lease/Purchase Agreement with the Meadowlakes Property Owners Association for the purchase and construction of a potable water storage tank.**

**Requested Council Agenda Date:** November 13, 2012

1. **Contact Name & Number:** Johnnie Thompson, City Manager - 830-693-2951
2. **Place On:** ☐ **Consent** ☐ **New Business** ☒ **Old Business**
3. **Budget Impact Statement Attached:** ☐ **Yes** ☐ **No** ☒ **N/A**
4. **Original Copies of Documents Approved to from by City Attorney?** ☒ **Yes**  
☐ **No** ☐ **N/A**
- 

**6. Background:**

Please find attached for your review a draft copy of Ordinance 2012-12 and a draft of the lease-purchase agreement between the City and the Meadowlakes Property Owners Association, Inc. (POA). These documents have been drawn up by the City's legal counsel and have been distributed to the POA for review by their legal counsel. It is my understanding that their counsel had a few questions that were answered to his satisfaction after discussing them with our counsel. I believe the POA will meet in the next couple of weeks to approve the agreement; however it may not be prior to your meeting. I have elected to keep it on the agenda just in case it has been approved. If the POA has not approved the agreement by your meeting date then it will be included on your December agenda for action.

As you may recall we discussed different means of obtaining funding for the construction of the much needed potable water storage tank, which included issuing bonds, borrowing the funds or the possibility of a municipal lease-purchase. After due consideration of the alternatives available for funding the tank, staff was directed to begin negotiations with the POA for possible funding and after several months of working with the City attorney a final agreement was reached early last month. As previously mentioned, the agreement was

forwarded to the POA's legal counsel for review. The term of the proposed agreement is 7 years with semi-annual payments, the first being due 6 months after funding by the POA. The agreement establishes March 1<sup>st</sup>, 2013 as the funding date with the first principal and interest payment being due on August 1<sup>st</sup>, 2013. The interest rate is 2.5% and the City may pay off the lease-purchase at any time without a penalty. If the agreement continues to the end of the term, the total interest paid will be \$28,881.62. As previously mentioned, the semi-annual payment will be \$23,491.54 for a total of \$46,983.08 annually.

In talking to the District Engineers the following time table has been developed for this project:

1. Preliminary engineering and draft bidding documents to be completed by late December or early January.
2. Submittal of project to TCEQ for approval by late January 2013 or early February 2013.
3. Approval of project by TCEQ late to the middle of February 2013.
4. Project bidding middle of March 2013.
5. Awarding of contract for construction April 2013.

Once the engineers have completed the yard piping design, staff will begin making the necessary piping runs and tie-ins. We must have these items completed during a time of low water consumption since we will have to take the treatment plants off-line to facilitate the tie-in to the existing piping.

# *City of Meadowlakes*

## ORDINANCE 2012-10

\_\_\_\_\_, 2012

AN ORDINANCE OF THE CITY OF MEADOWLAKES, TEXAS, APPROVING A LEASE PURCHASE AGREEMENT AND ESCROW AGREEMENT WITH THE MEADOWLAKES PROPERTY OWNERS ASSOCIATION; DESIGNATING SUCH LEASE AS A QUALIFIED TAX EXEMPT OBLIGATION; ESTABLISHING AN INTEREST AND SINKING FUND; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND ANY RELATED DOCUMENTS; PROVIDING OPEN MEETINGS AND EFFECTIVE DATE CLAUSES; AND PROVIDING FOR RELATED MATTERS.

**Whereas**, the City Council of the City of Meadowlakes, Texas (the “City”) desires to enter into a Lease Purchase Agreement with the Meadowlakes Property Owners Association, Inc. (the “Agreement”) for the purpose of financing a water storage tank;

**Whereas**, the City desires to designate the Agreement as a “qualified tax exempt obligation” of the City;

**Whereas**, the acquisition and installation of a water storage tank is necessary to provide a safe and adequate water supply to the citizens of Meadowlakes; and

**Whereas**, it is in the public interest to create an interest and sinking fund and levy taxes to fund and pay the sums and amounts to be paid by the City pursuant to the Agreement;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MEADOWLAKES, TEXAS, THAT:**

**Section 1. Approval of Agreement.** The City Council hereby approves and agrees to enter into the Lease Purchase Agreement (the “Agreement”) and Escrow Agreement with the Meadowlakes Property Owners Association, Inc. spread upon the minutes of this meeting for the purpose of financing a water storage tank. The City Manager is authorized to execute the Agreement, the Escrow Agreement, and such other documents as authorized by the Agreement.

**Section 2. Qualified Tax Exempt Obligation.** The Agreement is designated by the City as a “qualified tax exempt obligation” for the purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

But no debt for any purpose shall ever be incurred in any manner by any city or county unless provision is made, at the time of creating the same, for levying and collecting a sufficient tax to pay the interest thereon and provide at least two per cent (2%) as a sinking fund; and the condemnation of the right of way for the erection of such works shall be fully provided for.

**Section 3. Interest in Sinking Fund.** (a) During each year while there is any liability by reason of the terms and provisions of the Agreement, including the fiscal year in which the Agreement is first approved and executed, the City Council of the City shall compute and ascertain the rate and amount of ad valorem tax, based on the latest approved tax rolls of the City, with full allowances being made for tax delinquencies and costs of tax collection, which will be sufficient to raise and produce the money required to pay any sums which may be or become due during any such year, in no instance to be less than two (2%) per cent of such obligation, together with all interest thereon, because of the obligation herein assumed and undertaken, taking into account all other sources of revenue and funds that may be used to satisfy the obligations under the Agreement. Said rate and amount of ad valorem tax is hereby ordered to be levied and is hereby levied against all taxable property in said City for each year while any liability exists by reason of the obligation undertaken by the Agreement, and said ad valorem tax shall be assessed and collected each such year until all of the obligations incurred by the City in the Agreement shall have been discharged and all liability under the Agreement is discharged.

(b) The City Council hereby establishes an interest and sinking fund (the "I & S Fund"), which shall be maintained by the City as long as any Lease Payments under the Agreement are unpaid. The City Council hereby pledges the I & S Fund for the exclusive purpose of securing the payment of the Lease Payments and all other financial and contractual obligations of City under the Agreement, and shall apply the funds therein to the payment of Lease Payments as such payments come due.

(c) As the City receives collections of such ad valorem tax levied under this ordinance, it shall deposit such tax collections into the I & S Fund as provided in this ordinance. Lessee from time to time may deposit any other lawfully available funds into the I&S Fund.

**Section 4. Effective Date.** This Ordinance shall take effect immediately from and after its passage.

**Section 5. Open Meetings.** It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

(Execution page to follow)

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2012.

**CITY OF MEADOWLAKES**

\_\_\_\_\_  
Don Williams, Mayor

ATTEST:

\_\_\_\_\_  
Stephanie Littleton, City Secretary

Subject to Council Approval

## LEASE-PURCHASE AGREEMENT

STATE OF TEXAS           §  
  §  
COUNTY OF BURNET       §

This Lease - Purchase Agreement (the "Lease" or "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_ 2012, by and between the **Meadowlakes Property Owners Association, Inc.**, a Texas non-profit corporation, (the "Lessor") and the **City of Meadowlakes, Texas**, a general law municipal corporation and political subdivision of the State of Texas, (the "Lessee").

Lessor hereby demises, leases and lets to Lessee and Lessee hereby rents, leases and hires from Lessor, the Property described in Exhibit A now or hereafter attached hereto (the "Property") in accordance with the following terms and conditions of this Lease Purchase Agreement (the "Lease"). The terms "Exhibit A" (Property Description), "Exhibit B" (Payment Schedule and Option to Purchase Price), and "Exhibit C" (Acceptance Certificate) as used herein shall mean all such consecutively numbered Exhibits that are or may be in the future attached as exhibits to and be governed by the terms of this Lease.

1. Term. This Lease shall become effective upon the execution by Lessee and Lessor. The term of this Lease ("Lease Term") shall commence upon the dated date of this Lease and the Lease Term shall continue until the end of the Lessee's current fiscal year and shall continue thereafter for such additional fiscal periods as are necessary to complete the anticipated total lease term as set forth in Exhibit B, unless earlier terminated, as provided herein.

2. Lease Payments. Lessee agrees to pay to Lessor or its assignee the Lease Payments, including the interest portion, equal to the amounts specified in Exhibit B (the "Lease Payments"). The Lease Payments will be payable without notice or demand at the office of the Lessor or such other place as Lessor or its assignee may from time to time designate in writing), and will commence on the date as set forth in Exhibit B and thereafter in accordance with Exhibit B and this Lease, provided that Lessor has funded the City account as provided in Section 21. Except as specifically provided in this Section and Section 5 hereof, Lessee's obligation to make Lease Payments is absolute and conditional in all events and is not subject to any setoff, defense, counterclaim, or recoupment for any reason whatsoever including, without limitation, any failure of the Property to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Property or any accident, condemnation or unforeseen circumstances. If Lessee fails to pay any lease specified in Exhibit B hereof within ten (10) days after the due date thereof, Lessee shall pay to Lessor interest on such delinquent payment from the due date until paid at the highest lawful rate.

3. Delivery and Acceptance. Lessee will cause the Property to be delivered to Lessee at the location specified in Exhibit A ("Property Location"). Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery of the Property. Lessee will accept the Property as soon as it has been delivered and is operational. Lessee will evidence its acceptance of the Property by executing and delivering to Lessor an Acceptance Certificate in the form provided by Lessor and attached hereto as Exhibit C.

4. Disclaimer of Warranties. Lessee acknowledges and agrees that the Property is of a size, design and capacity selected by Lessee, that Lessor is neither a manufacturer nor a vendor of such Property, and that LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY

REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE PROPERTY IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE PROPERTY AND THE MAINTENANCE THEREOF.

Lessor hereby assigns to Lessee during the Lease Term, so long as no Event of Default has occurred hereunder and is continuing, all manufacturer's warranties, if any, expressed or implied with respect to the Property, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessee's sole remedy for the breach of any such manufacturer's warranty shall be against the manufacturer of the Property, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Lease, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made no representations or warranties whatsoever as to the availability of such warranties of the manufacturer of the Property.

5. Pledge of Ad Valorem Taxes. Upon this Agreement taking effect the Lessee shall establish an interest and sinking fund (the "I & S Fund"), which shall be maintained by the Lessee as long as any Lease Payments are unpaid. The Lessee hereby pledges the I & S Fund for the exclusive purpose of securing the payment of the Lease Payments and all other financial and contractual obligations of Lessee under this Agreement, and shall apply the funds therein to the payment of Lease Payments as such payments come due.

The Lessee has levied an ad valorem tax (and each year in which Lease Payments come due, the Lessee shall levy an ad valorem tax) within the limits prescribed by law, that is sufficient (together with any other funds lawfully available to the Lessee for the purpose) to pay the Lease Payments coming due in such year. As Lessee receives collections of such ad valorem tax, it shall deposit such tax collections into the I & S Fund. Lessee from time to time may deposit any other lawfully available funds into the I & S Fund. To the extent permitted by law, the Lessee hereby pledges its ad valorem tax as security for this obligation.

The I & S Fund shall be depleted at least once a year except for a carryover amount not to exceed one twelfth (1/12) of the amount of the Lease Payments expected to come due in the following year.

6. Certification and Authorization. Lessee represents, covenants and warrants that it is a state, or a political subdivision thereof, or that Lessee's obligation under this Lease constitutes an obligation issued on behalf of a state or political subdivision thereof, such that any interest derived under this Lease will qualify for exemption from Federal income taxes under Section 103 of the Internal Revenue Code. Lessee further warrants that it has the legal capacity to enter into this Lease, and is not in contravention of any City, District, County, or State statute, rule, regulation, or other governmental provision. Lessee further represents that the use of the Property is essential to its proper, efficient and economic operation of the City and its water system. Lessee agrees that (i) there are no circumstances presently affecting the Lessee that could reasonably be expected to alter its foreseeable need for the Property or adversely affect its ability or willingness to budget funds for the

payments of sums due hereunder; (ii) it has complied with all bidding requirements where necessary and by the due notification presented this Lease for approval and adoption as a valid obligation on its part; (iii) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal period; (iv) no lease, rental agreement or contract for purchase to which Lessee has been a party at any time during the last five years has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal period; (v) during the term of this Lease, the Property will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and not be used in a trade or business of any person or entity other than the Lessee; (vi) Lessee will take no action that will cause the Interest portion of any Lease Payment to become includable in gross income of the recipient for purposes of federal income taxation under the Internal Revenue Code of 1986, as amended, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such Interest from being includable in gross income for purposes of federal income taxation under the Code.

7. Title to Property; Security Interest. During the term of this Lease, and so long as no Event of Default (as defined in Section 18) has occurred, title to the Property and any and all additions, repairs, replacements or modifications thereof, will rest in the Lessee, subject to the rights of Lessor under this Lease. In the Event of Default as set forth in Paragraph 18 or a termination as set forth in Paragraph 19 or 21, Lessee will peaceably surrender possession of the Property to Lessor. At the expiration of the Lease Term, when all Lease Payments have been made, Lessor will release any security interest it has in the Property. Lessor shall have and retain a security interest under the Uniform Commercial Code in the Property, the proceeds thereof and any and all repairs, replacements, substitutions and modifications thereto, in order to secure Lessee's payment of all Lease Payments and the performance of all other obligations of lessee under this Lease, and Lessee hereby grants to Lessor, and its successors, a security interest in the Property, all accessions thereto and proceeds therefrom, and, in addition to Lessor's rights hereunder, all of the rights and benefits of secured party under the Uniform Commercial Code as in effect from time to time hereafter in the State in which the Property is located or any other State which may have jurisdiction over the Property. If requested by Lessor, Lessee agrees to execute such additional documents including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor which Lessor deems necessary or appropriate to protect its interest in the Property and in this Lease. In the event of default by the Lessee, the Lessor agrees to look first to Lessee's tax pledge. In the event the tax pledge is found to be insufficient to satisfy the default, then and only then will Lessor foreclose upon the perfected security interest in the Property.

8. Filings. Lessee authorizes Lessor to make the Lessor's security interest a matter of public record by filings of any documents Lessor deems necessary for that purpose, and agrees to be responsible for any costs associated therewith. Lessee agrees to sign or execute such documents at its expense to evidence its consent to filings.

9. Alterations. Lessee may, at its own expense, install or place in or on, or attach or affix to, the Property such equipment or accessories as may be necessary or convenient to use the Property for its intended purposes provided that such equipment or accessories do not impair the value or utility of the Property. All such equipment and accessories shall be removed by Lessee upon termination of this Agreement, provided that any resulting damage shall be repaired at Lessee's expense. Any such equipment or accessories not removed shall become the property of Lessor.

Without the written consent of Lessor, Lessee shall not make any other alterations,

modifications or improvements to the Property except as required or permitted hereunder. Any other alterations, modifications or improvements to the Property shall immediately become part of the Property, subject to the provisions hereof. Without the prior written consent of Lessor, Lessee shall not affix or attach any of the Property to any real property. Lessor acknowledges and understands that the Property will sit on a concrete foundation and will be connected to underground pipes and electrical wiring, and Lessor hereby consents to such connections. The Property shall remain personal property regardless of whether it becomes affixed or attached to real property or permanently rests upon any real property or any improvement thereon.

10. Location; Inspection. The Property will not be removed from, or if the Property consists of rolling stock, its permanent base will not be changed from the Property location without Lessor's prior written consent which will not be unreasonably withheld. Lessor will be entitled to enter upon the Property Location or elsewhere during reasonable business hours to inspect the Property or observe its use and operation.

11. Liens and Taxes. Lessee shall keep the Property free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Property, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges of taxes, Lessee shall reimburse Lessor therefor.

12. Personal Property. The Property is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

13. Risk of Loss; Damage; Destruction. Lessee assumes all risk of loss of or damage to the Property from any cause whatsoever, and no such loss of or damage to the Property nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make lease Payments or to perform any other obligation under this lease.

In the event of damage to any item of Property, Lessee will immediately place the same in good repair with the proceeds of any insurance recovery applied to the cost of such repair.

If Lessor determines that any item of Property is lost, stolen, condemned, confiscated, destroyed or damaged beyond repair, Lessee, at the option of Lessor, will either (a) replace the same with like property in good repair, or (b) on the next Lease Payment date, pay Lessor: (i) all amounts then owed by Lessee to Lessor under this Lease, including the Lease Payment due on such date, and (ii) an amount equal to the applicable Purchase Option Amount set forth in Exhibit B. In the event that Lessee is obligated to make payment with respect to less than all of the Property, Lessor will provide Lessee with the pro rata amount of the Lease Payment and the Purchase Option Amount to be made by Lessee with respect to the Property which has suffered the event of loss and the Lease shall remain in full force and effect for all remaining Property.

14. Insurance. Lessee, will, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the Property in such amounts, covering such risks and obligations set forth in Section 13, and with risk pool insurance coverage, or, with Lessor's prior written consent, may self-insure against any or all such risks. In no event will the insurance limits be less than the amount of the then applicable

Purchase Option with respect to such Property. If insurance policies are provided with respect to the Property, all insurance policies shall be with insurers authorized to do business in the State where the Property is located. Each insurance policy will contain a clause requiring the insurer to give Lessor at least thirty (30) days prior written notice of any alterations in the terms of such policy or the cancellation thereof. The proceeds of any such policies will be payable to Lessee and Lessor or its assigns as their interests may appear.

Upon acceptance of the Property and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance. If at any time during the Lease Term, Lessee shall not have provided Lessor with such certificate, Lessor may obtain the above described insurance, and Lessee will reimburse Lessor upon demand for the costs thereof including interest at the overdue rate from the date that Lessor incurred such cost to the date of reimbursement by Lessee. In the event that Lessee has been permitted to self-insure against the risks and obligations set forth in Section 13, Lessee will furnish Lessor with a letter of certificate to such effect. In the event of any loss, damage, injury or accident involving the Property, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto.

Lessee shall also carry and require any other person or entity working on, in or about the Property to carry workmen's compensation insurance covering employees on, in or about the Property. In the event Lessee fails, for any reason, to comply with the requirements of this Section, Lessee, to the extent authorized by law, shall indemnify, save harmless and, at Lessee's sole expense, defend Lessor and its agents, employees, officers and directors and the Property against all risk of loss not covered by insurance.

15. Indemnification. To the extent permitted by law, Lessee shall indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, damages or liabilities, including attorney's fees and court costs, arising in connection with the Property, including, but not limited to, its selection, purchase, delivery, installation, possession, use, operation, rejection, or return and the recovery of claims under insurance policies thereon. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of the Lease Term for any reason.

16. Assignment. Without Lessor's prior written consent, Lessee will not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Lease or the Property or any interest in this Lease or the Property or (ii) sublet or lend the Property or permit it to be used by anyone other than Lessee or Lessee's employees for the governmental purposes of Lessee. Lessor may assign its rights, title and interest in and to this Lease, the Property and any documents executed with respect to this Lease and/or grant or assign a security interest in this Lease and the Property. Any such assignees shall have all of the rights of Lessor under this Lease. Subject to the foregoing, this Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Lessee covenants and agrees not to assert against the assignees any claims or defenses by way of abatement setoff, counterclaim, recoupment or the like which Lessee may have against Lessor. Upon assignment of Lessor's interests herein, Lessor will cause written notice of such assignment to be sent to Lessee which will be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made. During the term of this Agreement, Lessee shall keep a complete and accurate record of all such assignments in form necessary to comply with the United States Internal Revenue Code of 1986, Section 149 (a), and the regulations, proposed or existing, from time to time promulgated thereunder.

17. Advances. If Lessee shall fail to pay any Lease Payment or any other amounts due

hereunder or perform any of its obligations under this Lease, Lessor or its assignee may, at its option pay such amounts or perform such obligation, and Lessee shall reimburse Lessor the amount of such payment or cost of performance upon demand, together with interest at the highest lawful rate, from the due date on the amount of any Lease Payment or other payment not made when due under this Lease from the date due until the date on which such payment is received by Lessor.

18. Event of Default. The term "Event of Default," as used herein, means the occurrence of any one or more of the following events; (i) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (ii) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor; (iii) the discovery by Lessor that any statement, representation, or warranty made by Lessee in this Lease or in writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect; (iv) proceedings under any bankruptcy, insolvency, reorganization or similar legislation shall be instituted against or by Lessee, or a receiver or similar officer shall be appointed for Lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within sixty (60) days after the institution or occurrence thereof, or (v) an attachment, levy or execution is threatened or levied upon or against the Property.

19. Remedies. Upon the occurrence of an Event of Default, and as long as such Event of Default is continuing, Lessor may, at its option, exercise any one or more of the following remedies;

(i) By written notice to Lessee, declare an amount equal to all amounts then due under the Lease, and all remaining Lease payments due during the Lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable;

(ii) Enforce this Agreement by appropriate action to collect amounts due or to become due hereunder, by acceleration of otherwise, or to cause Lessee to perform its other obligations hereunder in which event Lessee shall be liable for all costs and expenses incurred by Lessor;

(iii) Take possession of the Property, without demand or notice and without court order or any process of law, and remove and relet the same for Lessee's account, in which event Lessee waives any and all damages resulting therefrom and shall be liable for all costs and expenses incurred by Lessor in connection therewith and the difference, if any, between the amounts to be paid pursuant to Exhibit B hereof and the amounts received and to be received by Lessor in connection with any such reletting;

(iv) Terminate this Agreement and repossess the Property, in which event Lessee shall be liable for any amounts payable hereunder through the date of such termination and all costs and expenses incurred by Lessor in connection therewith;

(v) Sell the Property or any portion thereof for Lessor's account at public or private sale, for cash or credit, without demand on notice to Lessee of Lessor's intention to do so, or relet the Property for a term and a rental which may be equal to, greater than or less than the rental and term provided herein. If the proceeds from any such sale or rental payments received under a new agreement made for the periods prior to the expiration of this Agreement are less than the sum of (i) the costs of such repossession, sale, relocation, storage, reconditioning, reletting and reinstallation (including but not limited to reasonable attorneys' fees), (ii) the unpaid principal balance derived from Exhibit B as of the last preceding Lease Payment Date specified in Exhibit B, and (iii) any past due amounts hereunder (plus interest on such unpaid principal balance at the rate specified in Section 17 hereof, prorated to the date of such sale), all of which shall be paid to

Lessor, Lessor shall retain all such proceeds and Lessee shall remain liable for any deficiency; or (iv) Pursue and exercise any other remedy available at law or in equity, in which event Lessee shall be liable for any and all costs and expenses incurred by Lessor in connection therewith. "Costs and expenses," as such term is used in this Section 19, shall mean, to the extent allowed by law: (a) reasonable attorneys' fees if this Agreement is referred for collection to an attorney not a salaried employee of Lessor or the holder of this Agreement; (b) court costs and disbursements including such costs in the event of any action necessary to secure possession of the Property; and (c) actual and reasonable out-of-pocket expenses incurred in connection with any repossession or foreclosure, including costs of storing, reconditioning and reselling the Property, subject to the standards of good faith and commercial reasonableness set by the applicable Uniform Commercial Code. Lessee waives all rights under all exemption laws.

In addition, Lessee will remain liable for all covenants and indemnities under this Lease and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

20. Purchase Option. Provided Lessee has complied with the terms and conditions of this Agreement, Lessee shall have the option to purchase not less than all of the Property which is then subject to this Agreement, "as is" at the payment date, for the Option to Purchase Values set forth in Exhibit B. Upon Lessee's timely payment of all Lease Payments specified in Exhibit B, Lessee shall be deemed to have properly exercised its option to purchase the Property and shall be deemed to have acquired all of Lessor's right, title and interest in and to the Property, free of any lien, encumbrance or security interest except such liens, encumbrances or security interest as may be created, or permitted and not discharged, by Lessee but without other warranties. Payment of the applicable Option to Purchase Value shall occur on the applicable Lease Payment Date specified in Exhibit B hereto, at which time Lessor shall, unless not required hereunder, deliver to Lessee a quitclaim bill of sale transferring Lessor's interest in the Property to Lessee free from any lien, encumbrance or security interest except such as may be created, or permitted and not discharged, by Lessee but without other warranties. Upon Lessee's actual or constructive payment of the Option to Purchase Value and Lessor's actual or constructive delivery of a quitclaim bill of sale covering the Property, this Agreement shall terminate except as to obligations or liabilities accruing hereunder prior to such termination.

21. Payment by POA. The POA shall deliver to the City the sum of \$300,000.00 for deposit to a dedicated account with the City (the "Fund") on or before **March 1, 2013**. Deposits in the Fund shall be used by the City solely to pay for the acquisition and installation of the Property.

22. Termination. Unless Lessee has properly exercised its option to purchase pursuant to Section 20 hereof, Lessee shall, upon the expiration of the term of this Agreement or any earlier termination hereof pursuant to Section 19 hereof, deliver the Property to Lessor unencumbered and in at least as good condition and repair as when delivered to Lessee, ordinary wear and tear resulting from proper use alone excepted, by loading the Property, at Lessee's sole expense, on such carrier, or delivering the Property to such location, as Lessor shall provide or designate at or within a reasonable distance from the general location of the Property. If Lessee fails to deliver the Property to Lessor, as provided in this Section 22, on or before the date of termination of this Agreement, Lessee shall pay to Lessor upon demand, for the hold-over period, a portion of the total payment for the applicable period as set forth in Exhibit B prorated from the date of termination of this Agreement to the date Lessee either redelivers the Property to Lessor or Lessor repossesses the Property. Lessee hereby waives any right which it now has or which may be acquired or conferred

upon it any law or order of any court or other governmental authority to terminate this Agreement or its obligations hereunder, except in accordance with the express provisions hereof.

23. Section Headings. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

24. Governing Law. This Lease shall be construed in accordance with, and governed by the laws of the State of Texas.

25. Delivery of Related Documents. Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Lease.

26. Severability. Any provision of this Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease.

27. Use of Property; Maintenance. Lessee shall pay and discharge all operating expenses and shall cause the Property to be operated by competent persons only. Lessee shall use the Property only for its proper purposes and will not install, use, operate or maintain the Property improperly, carelessly, or in violation of any applicable law, ordinance, rule or regulation of any governmental authority, or in a manner contrary to the nature of the Property or the use contemplated by its manufacturer. Lessee shall obtain, at its expense, all registrations, permits and licenses, if any, required by law for the installation and operation of the Property.

Lessor shall not be obligated to make any repairs or replacements. At its own expense, Lessee shall service, repair and maintain the Property in as good condition, repair, appearance and working order as when delivered to Lessee hereunder, ordinary wear and tear from proper use alone excepted, and shall replace any and all parts thereof which may from time to time become worn out, lost, stolen, destroyed, or damaged beyond repair or rendered unfit for intended use, for any reason whatsoever, all of which replacements shall be free and clear of all liens, encumbrances and claims of others and shall become part of the Property and subject to this Agreement. Lessor may, at its option, discharge such costs, expenses and insurance premiums necessary for the repair, maintenance and preservation of the Property, and all sums so expended shall be due from Lessee in addition to rental payments hereunder.

28. Taxes and Other Governmental Charges. In the event the Property is found to be subject to taxation in any form, the Lessee will pay as the same respectively become due, all taxes and governmental charges of any kind whatsoever together with any interest and penalties that may at any time be lawfully assessed or levied against or with respect to the Property including but not limited to the ownership, leasing, rental, sale, purchase, or possession thereof (excluding however, all taxes on or measured by the Lessor's or its assigns' income) and any equipment or other property acquired by the Lessee in substitution for, as a renewal or replacement of, or as a modification, improvement, or addition to the Property, as well as all other charges incurred in the operation, maintenance, use and upkeep of the Property; provided that with respect to any governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are required to be paid during the Lease Term. Upon the expiration or earlier termination of this Lease, the Lessee shall pay to the Lessor or its assigns any ad valorem, personal property or excise taxes assessed but not yet due and payable.

29. Notices. Any notices to be given or to be served upon any party hereto in

connection with this Lease must be in writing and may be given by certified or registered mail, and shall be deemed to have been given and received forty-eight (48) hours after a registered or certified letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the parties at their respective addresses designated on the signature page of this Agreement or at such other address as either party may hereafter designate.

30. Miscellaneous. Lessee shall, whenever requested, advise Lessor of the exact location and condition of the Property and shall give the Lessor immediate notice of any attachment or other judicial process affecting the Property, and indemnify and save Lessor harmless from any loss or damage caused thereby to the extent authorized by law. Lessor may, for the purpose of inspection, at all reasonable times enter upon any job, building or place where the Property and the books and records of the Lessee with respect thereto are located.

Lessee agrees to equitably adjust the payments payable under this Agreement if there is a determination for any reason that the interest payable pursuant to this Agreement (as incorporated within the schedule of payments) is not excludable from income in accordance with the Internal Revenue Code of 1986, as amended, such as to make Lessor and its assigns whole.

Time is of the essence. No covenant or obligations hereunder to be performed by Lessee may be waived except by the written consent of Lessor, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Lessor from invoking such remedy at any later time prior to Lessee's cure of the condition giving rise to such remedy. Lessor's rights hereunder are cumulative and not alternative.

This Agreement and the Escrow Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, altered or changed in any respect except by a written document signed by both Lessor and Lessee.

The Lessor hereunder shall have the right at any time or times, by notice to Lessee, to designate or appoint any person or entity to act as agent or trustee for Lessor for any purposes hereunder.

All transportation charges shall be borne by Lessee. Lessee will immediately notify Lessor of any change occurring in or to the Property, of a change in Lessee's address, or in any fact or circumstance warranted or represented by Lessee to Lessor, or if any Event of Default occurs.

Use of the neuter gender herein is for purposes of convenience only and shall be deemed to mean and include the masculine or feminine gender whenever and wherever appropriate

The captions set forth herein are for the convenience of reference only and shall not define or limit any of the terms or provisions hereof.

**Executed and Approved** effective as of the date first above written.

**Meadowlakes Property Owners Association, Inc.**

**City of Meadowlakes, Texas**

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Alton Fields, President  
177 Broadmoor St., Ste. B  
Meadowlakes, Texas 78654  
Facsimile: (830) 693-2124

**Attest:**

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Jane Cunningham, Secretary

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Don Williams, Mayor  
177 Broadmoor St., Ste. A  
Meadowlakes, Texas 78654  
Facsimile: 830-693-2124

**Attest:**

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Stephanie Littleton, City Secretary

Subject to Council Approval

**EXHIBIT "A"**

**PROPERTY DESCRIPTION**

Lease Purchase Agreement Between the Meadowlakes Property Owner's Association, Inc. (Lessor)  
and the City of Meadowlakes (Lessee) dated \_\_\_\_\_, 2012

<b><u>Quantity</u></b>	<b><u>Description</u></b>
1	250,000 gallon welded steel tank with internal baffling curtains, and installation of said tank

**Property Location:** 1119 Cedar Drive, Marble Falls, Texas 78654

## EXHIBIT "B"

### PAYMENT SCHEDULE AND OPTION TO PURCHASE PRICE

Lease Purchase Agreement Between the Meadowlakes Property Owner's Association, Inc. (Lessor)  
and the City of Meadowlakes (Lessee) dated \_\_\_\_\_, 2012

Pymt #	Pymt Date	Principal Paid	Interest Paid	Total Payment	Option to Purchase After Payment on this Line
1	9/1/2012	\$19,741.54	\$3,750.00	\$23,491.54	\$280,258.46
2	3/01/2013	\$19,988.31	\$3,503.23	\$23,491.54	\$260,270.14
3	9/01/2013	\$20,238.17	\$3,253.38	\$23,491.54	\$240,031.98
4	3/01/2014	\$20,491.14	\$3,000.40	\$23,491.54	\$219,540.83
5	9/01/2014	\$20,747.28	\$2,744.26	\$23,491.54	\$198,793.55
6	3/01/2015	\$21,006.62	\$2,484.92	\$23,491.54	\$177,786.92
7	9/01/2015	\$21,269.21	\$2,222.34	\$23,491.54	\$156,517.72
8	3/01/2016	\$21,535.07	\$1,956.47	\$23,491.54	\$134,982.64
9	9/01/2016	\$21,804.26	\$1,687.28	\$23,491.54	\$113,178.38
10	3/01/2017	\$22,076.81	\$1,414.73	\$23,491.54	\$91,101.57
11	9/01/2017	\$22,352.77	\$1,138.77	\$23,491.54	\$68,748.79
12	3/01/2018	\$22,632.18	\$859.36	\$23,491.54	\$46,116.61
13	9/01/2018	\$22,915.08	\$576.46	\$23,491.54	\$24,201.52
14	3/01/2019	\$23,201.58	\$290.02	\$23,491.54	0.00

**Total Principal:       \$300,000.00**  
**Total Interest:        \$28,881.62**  
**Grand Total:           \$328,881.62**

**EXHIBIT "C"**

**ACCEPTANCE CERTIFICATE**

Lease Purchase Agreement Between the Meadowlakes Property Owner's Association, Inc. (Lessor) and the City of Meadowlakes (Lessee) dated \_\_\_\_\_, 2012.

In accordance with the Lease, Lessee hereby certifies that all of the Property described herein (i) has been received by Lessee, (ii) has been thoroughly examined and inspected to the complete satisfaction of Lessee, (iii) has been found by Lessee to be in good operating order, repair, and condition, (iv) has been found to be of the size, design, quality, type and manufacture specified by Lessee, (v) has been found to be and is wholly suitable for Lessee's purposes, and (vi) is hereby unconditionally accepted Lessee, in condition received, for all purposes of this Agreement.

**Property:** 250,000 gallon welded steel tank with internal baffling curtains, and installation of said tank

**The primary use of this property is:** water storage tank for municipal water system

**Location:** 1119 Cedar Drive, Marble Falls, Texas 78654

Invoices shall be sent to the following address, including to whose attention invoices should be directed:

Attn: City Manager  
177 Broadmoor Street, Suite A  
Meadowlakes, Texas 78654

**Essential Use Certification**

The undersigned hereby certifies that the Property, to be leased to the undersigned under that certain Lease Agreement between the Meadowlakes Property Owners Association, Inc. (Lessor) and the City of Meadowlakes (Lessee) dated \_\_\_\_\_, 2012, will be used by the undersigned Lessee for the primary purpose set forth above. The undersigned further represents the use of the Property is essential to its proper, efficient, and economic operation.

By Lessee:

\_\_\_\_\_  
Johnnie Thompson, City Manager  
City of Meadowlakes

Accepted this the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

*City of Meadowlakes*  
Items for Consideration  
City Council Meeting  
November 13, 2012

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Item: VI-B

**Date:** November 6, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Stephanie Littleton, City Secretary

**Agenda Item:** VI-B -Status Update

**Requested Council Agenda Date:** November 13, 2012

1. **Contact Name & Number:** Stephanie Littleton, City Secretary - 830-693-6840
  2. **Place On:** ☐ Consent ☐ New Business ☒ Old Business
  3. **Budget Impact Statement Attached:** ☐ Yes ☐ No ☒ N/A
  4. **Original Copies of Documents Approved to from by City Attorney?** ☐ Yes ☒ No ☐ N/A
- 

**6. Background:**

**Directory-**At the October meeting Mayor Williams talked about moving forward with publishing the directory in-house and outlined the need for permission to publish individual phone numbers. We established a deadline of October 31<sup>st</sup> for obtaining this permission, and this request and deadline was advertised in the weekly email newsletter. Utility clerk Renee Watson was tasked with compiling and recording these permissions. To date, we have received ( ) authorizations. Staff is now working on exporting all of the data to a format appropriate for publication. It is our goal to have this completed by the end of the year for publication and distribution early 2013.

**Codification-**I will give you a verbal update on the codification process at your meeting.

**Public Facility Corporation-**Please find attached a copy of the PFC's October 2012 financial statements for your review.

*City of Meadowlakes*  
Items for Consideration  
City Council Meeting  
November 13, 2012

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**Item: VII-A**

**Date:** November 5, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Johnnie Thompson, City Manager

**Agenda Item:** VII-A –Ordinance 2012-09-No Texting Ordinance

**Requested Council Agenda Date:** November 13, 2012

1. **Contact Name & Number:** Johnnie Thompson, City Manager - 830-693-2951
2. **Place On:** ☐ Consent ☒ **New Business** ☐ **Old Business**
3. **Budget Impact Statement Attached:** ☐ Yes ☐ No ☒ **N/A**
4. **Original Copies of Documents Approved to from by City Attorney?** ☐ Yes ☒ No ☐ **N/A**
- 

**6. Background:**

As you may recall at your October meeting a request was made by a citizen for the City to consider a texting ban while driving within the City. Please find attached a draft copy of Ordinance 2012-09 which addresses this issue for your consideration. The City has the authority as granted by the Texas Local Government Code to enact such a ban if it desires to.

The Ordinance as drafted is based on several such Ordinances passed by other municipalities in Texas. The Ordinance as drafted would require the addition of Chapter 70 to our Code of Ordinances. It would also require publication of the caption of the Ordinance in the City's official newspaper. Please find below highlights of the proposed ordinance:

- (1) It shall be unlawful for an operator of a motorized vehicle to use a hand held wireless communications device to view, read, write, send or compose an electronic message or manually engage other applications software while operating a motorized vehicle upon any roadway within the City of Meadowlakes, including when stopped, except as provided in subsection (2)(b). *(This applies to both vehicles and golf carts.)*
- (2) It is an exception to the prohibition in subsection (1) if;

- (a) an operator of a motorized vehicle uses a wireless communications device to strictly engage in a telephone conversation or to listen to a voicemail message, including dialing or deactivating a phone call;
  - (b) an operator of a motorized vehicle uses a wireless communication device while stopped or standing at a position parallel to and as close as possible to the right hand edge or curb or a roadway where parking, standing or stopping in a nonemergency situation is not otherwise prohibited; or
  - (c) an operator of a motorized vehicle uses a wireless communications device solely in a voice-activated or other hands-free mode.
- (3) It is an affirmative defense to prosecution of conduct in subsection (1) if
  - (a) an operator of an authorized government vehicle uses a wireless communications device to respond to an emergency while acting in an official capacity while operating an authorized government vehicle;
  - (b) an operator of a motor vehicle uses a wireless hand-held communication device to:
    - i. conduct wireless interpersonal communication that does not require manual entry of multiple letters, numbers or symbols or reading text messages, except to activate, deactivate, or initiate a feature or function;
    - ii. operate only a global positioning or navigation system;
    - iii. obtain emergency assistance by contacting an emergency response service, including a rescue, emergency medical, or hazardous materials response service; a hospital; a fire department; a law enforcement agency; a medical doctor's office; or an individual to administer first aid treatment;
    - iv. obtain emergency assistance to prevent a crime about to be committed;
    - v. report a traffic accident or serious traffic hazard; or
    - vi. communicate with the reasonable belief that a person's life, safety or property is in immediate danger;
    - vii. solely in a voice-activated or other hands-free mode.
- (4) A person convicted of an offense under this section shall be punished by a fine of up to ***two hundred dollars (\$200.00)***. Only warning citations may be issued for the first ***sixty (60) days*** following the effective date of this section to allow for education effort by the

City to inform the public about the importance and requirements of this section.

- (5) Enforcement would be limited to our part-time deputies.

## **7. Recommendation:**

If you want to pursue the adoption of an ordinance banning texting while driving within the City, I recommend that the draft be sent to our legal counsel for review and approval and that formal action be placed on the December agenda. The Ordinance would become effective about a week after your formal adoption due to the publication requirement. It is also required that we post a sign meeting certain requirements at the entrance to the City stating that texting while driving is banned within the City.

Please find attached an interesting report published by the House Research Organization, which is a Texas House of Representatives research organization with regards to banning texting while operating a vehicle.

# ***City of Meadowlakes***

## **ORDINANCE 2012-09**

November 13, 2012

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF MEADOWLAKES, BURNET COUNTY, TEXAS, CHAPTER 70 ("TRAFFIC RULES"), TO ADD NEW SECTION TO PROHIBIT THE CERTAIN USE OF WIRELESS COMMUNICATION DEVICES WHILE OPERATING A MOTOR VEHICLE; CREATING AN OFFENSE; PROVIDING FOR PUBLICATION, AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.**

**WHEREAS**, the use of wireless communications devices by operators of motorized vehicles for electronic messaging has increased in recent years; and

**WHEREAS**, the City Council of the City of Meadowlakes finds that there are significant risks relating to distracted driving that include various aspects of the use of wireless communications devices while driving on the streets of the City; and

**WHEREAS**, the City Council of the City of Meadowlakes finds and determines that it is in the best interest of motoring public and to improve roadway safety for all vehicle operators, passengers, bicyclists, pedestrians, and other road users; and

**WHEREAS**, prohibiting the use of wireless communications devices while driving within the City of Meadowlakes, to the extent allowed by Section 545.425(f), Texas Transportation Code, addresses the possible hazards produced by a distracted driver as the result of: (1) sending or reading text or instant messages; (2) viewing or accessing internet sites; or (3) viewing or accessing other data that uses commonly recognized electronic communications protocol; and

**WHEREAS**, this ordinance is drafted to address the City of Meadowlakes police power interests in regulation of public safety, and appropriately excludes acts for which the City is preempted from regulating, and provides defenses to prosecution and exceptions to the application of the ordinance, including allowing the use of hands-free mobile telephone communications, emergency communications, and communications by operators of emergency vehicles,

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MEADOWLAKES, BURNET COUNTY, TEXAS, THAT:**

**Section I.** Chapter 70 of the Code of Ordinances of the City of Meadowlakes, Burnet County, Texas, is hereby amended to add the following:

## (A) Definitions:

- (1) "Electronic message" means a self-contained piece of digital communication that is designed or intended to be transmitted between physical devices, other than voice message. An electronic message includes, but is not limited to text-based communications, a command or request to access the internet site, or other data that uses a commonly recognized electronic communications protocol.
- (2) "Wireless communications device" has the meaning assigned in Section 545.425 ("Use of Wireless Communications Device, Offense") of the Texas Transportation Code. The term includes a mobile telephone, and a personal digital assistant device (PDA).
- (3) "Operate or Operating" means to drive or be in physical control of a motor vehicle in motion.
- (4) "Operator" means a person who drives or has physical control of a motor vehicle.
- (5) "Authorized government vehicle" means a motor vehicle owned by the United States, the State of Texas or a political subdivision of the State of Texas.

## (B) Violation:

- (1) It shall be unlawful for an operator of a motorized vehicle to use a hand held wireless communications device to view, read, write, send or compose an electronic message or manually engage other applications software while operating a motorized vehicle upon any roadway within the City of Meadowlakes, including when stopped, except as provided in subsection (2)(b).
- (2) It is an exception to the prohibition in subsection (1) if;
  - (a) an operator of a motorized vehicle uses a wireless communications device to strictly engage in a telephone conversation or to listen to a voicemail message, including dialing or deactivating a phone call;
  - (b) an operator of a motorized vehicle uses a wireless communication device while stopped or standing at a position parallel to and as close as possible to the right hand edge or curb or a roadway where parking, standing or stopping in a nonemergency situation is not otherwise prohibited; or
  - (c) an operator of a motorized vehicle uses a wireless communications device solely in a voice-activated or other hands-free mode.

(3) It is an affirmative defense to prosecution of conduct in subsection (1) if

- (a) an operator of an authorized government vehicle uses a wireless communications device to respond to an emergency while acting in an official capacity while operating an authorized government vehicle;
- (b) an operator of a motor vehicle uses a wireless hand-held communication device to:
  - i. conduct wireless interpersonal communication that does not require manual entry of multiple letters, numbers or symbols or reading text messages, except to activate, deactivate, or initiate a feature or function;
  - ii. operate only a global positioning or navigation system;
  - iii. obtain emergency assistance by contacting an emergency response service, including a rescue, emergency medical, or hazardous materials response service; a hospital; a fire department; a law enforcement agency; a medical doctor's office; or an individual to administer first aid treatment;
  - iv. obtain emergency assistance to prevent a crime about to be committed;
  - v. report a traffic accident or serious traffic hazard; or
  - vi. communicate with the reasonable belief that a person's life, safety or property is in immediate danger
  - vii. solely in a voice-activated or other hands-free mode.

**Section II.** A person convicted of an offense under this section shall be punished by a fine of up to two hundred dollars (\$200.00). Only warning citations may be issued for the first sixty (60) days following the effective date of this section to allow for education effort by the City to inform the public about the importance and requirements of this section.

**Section III.** The City Secretary of the City of Meadowlakes is hereby authorized and directed to cause the caption of this ordinance to be published in the City's official newspaper of publication.

**Section IV.** The City Secretary of the City of Meadowlakes is hereby authorized and directed to cause the language in the new Section 70.07 of the City of Meadowlakes Code of Ordinances, as amended by Section I hereinabove, to be published in the appropriate location in said Code of Ordinances.

**Section V.** This Ordinance shall be and remain in full force and effect from and after its passage by the City Council of the City of Meadowlakes, Texas and publication in accordance with the provisions of Chapter 52 of the Texas Local Government Code.

**Section VI.** All ordinances and parts of ordinances in conflict are amended to the extent of any conflict with this Ordinance. In the event of a conflict or inconsistency between this

Ordinance and any other code or ordinance of the city, the terms and provisions of this Ordinance shall govern.

**Section VII.** All rights and remedies of the City of Meadowlakes are expressly saved as to any and all violations of the provisions of any ordinances affecting zoning within the City which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

**Section VIII.** It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2012.

**CITY OF MEADOWLAKES**

\_\_\_\_\_  
Don Williams, Mayor

ATTEST:

\_\_\_\_\_  
Stephanie Littleton, City Secretary

## *Texas cities move to ban texting while driving*

- 2 Municipalities restrict texting while driving
- 2 Table: Municipalities with texting ordinances
- 3 Debate over statewide bans
- 4 State restrictions on mobile phone use
- 4 Map: Bans on texting while driving in the U.S.
- 5 Research on text messaging, crash risk
- 5 A state or a local issue?

On the first day of 2012, Harlingen became the latest of nearly two dozen Texas municipalities to ban texting while driving. The Harlingen ordinance creates a \$200 fine for viewing or sending a text-based communication — including a text message, an instant message, a photo, or an e-mail — while driving. The ordinance exempts any driver who is operating a hands-free device or global positioning system (GPS) device or obtaining emergency assistance or whose vehicle is stopped.

More than 20 Texas cities, including San Antonio, Brownsville, McAllen, Mission, Missouri City, Conroe, and Galveston, have adopted ordinances prohibiting texting while driving since November 2009, when Austin became the first to enact a citywide ban. In 2010, El Paso went a step further and became the only municipality in the state to ban all hand-held mobile phone use while driving.

In addition to the local ordinances, the Texas Legislature has enacted separate statewide restrictions on texting while driving. For instance, in 2009 it prohibited drivers under the age of 18 or traveling through a school zone from using a hand-held mobile device. But in June 2011, Gov. Rick Perry vetoed HB 242 by Craddick, a statewide ban on texting while driving enacted by the 82nd Legislature, saying that it represented a “government effort to micromanage the behavior of adults” and an “overreach” of legitimate governmental authority.

*This report reviews local efforts to ban texting while driving in Texas, research related to the effects of texting while driving, and the recent debate over implementing a ban statewide.*

Many questions remain unanswered in the wake of the governor’s veto of a statewide ban. Should the state enact broader restrictions on wireless use while driving, particularly texting while driving? If not, should it adopt uniform standards for local restrictions on texting while driving, as it has with red-light cameras? Or is it best to leave this decision to municipalities, which may be better positioned to ascertain whether and how prohibitions should be implemented?

Debate over possible state action on texting while driving occurs in the context of possible further federal restrictions on the practice. The Federal Motor Carrier Safety Administration recently banned commercial drivers from using any hand-held mobile devices. In 2009, President Obama signed an executive order prohibiting federal employees from texting while driving government-owned vehicles, while driving private vehicles on government business, or while using government-supplied electronic equipment. Also, Congress is considering legislation that would create federal funding incentives for states to implement texting-while-driving bans, although a bill with this provision has yet to advance to a full vote in either chamber.

### Municipalities restrict texting while driving

Harlingen joins several other municipalities, ranging in population from roughly 1,000 to 365,000, that began enforcing prohibitions on texting while driving last fall. In September, Arlington created a \$200 fine for texting while driving, as did Magnolia. Alamo, Mount Vernon, and Nacogdoches later followed suit with a \$500 fine.

At least 23 Texas municipalities have adopted citywide prohibitions on texting while driving (*see table*). This total does not include about a dozen local governments that have prohibited the use of hand-held cellular devices while driving in a school zone, but whose ordinances were pre-empted by state law forbidding the practice.

## Texas municipalities with ordinances prohibiting texting while driving

City	Maximum penalty/violation	2010 population	Year adopted
Alamo	\$500	18,353	2011
Arlington	\$200	365,438	2011
Austin	\$500	790,390	2009
Bellaire	\$500	16,855	2009
Brownsville	\$500	175,023	2011
Conroe	\$500	56,207	2010
El Paso*	\$500	649,121	2010
Galveston	\$500	47,743	2010
Harlingen	\$200	64,849	2011
Magnolia	\$200	1,393	2011
McAllen	\$500	129,877	2011
Mission	\$500	77,058	2011
Missouri City	\$500	67,358	2010
Mount Vernon	\$500	2,662	2011
Nacogdoches	\$500	32,996	2011
Palmview	\$250	5,460	2011
Penitas	\$200	4,403	2011
San Antonio	\$200	1,327,407	2010
Shoreacres	\$500	1,493	2010
Stephenville	\$200	17,123	2010
Tomball	\$200	10,753	2010
Universal City	\$200	18,530	2010
West University Place	\$500	14,787	2009

\* Prohibits all use of hand-held electronic devices while driving.

Municipal bans on texting while driving vary according to the specific activities prohibited and the fines imposed (generally ranging from \$200, the standard maximum state traffic fine, to \$500, the maximum fine for a

class C misdemeanor). Such bans universally prohibit text messaging, and many extend to using other common “smartphone” features, such as software applications and e-mail. They also vary in the exceptions granted. Austin, for

instance, allows texting while stopped at a light, but San Antonio does not. The bans generally exempt peace officers and drivers in emergency situations.

Enforcement practices in cities with texting-while-driving bans also vary. Local law enforcement authorities adopt enforcement procedures in accord with local ordinances as well as with different departmental practices. Some local authorities vigorously enforce bans on cell phone use, while others tend to issue citations mainly when texting coincides with another violation. As such, the number of citations varies

considerably. For example, San Antonio issued about 320 citations in 2011, the first full year of its ordinance, while Missouri City, a much smaller city, issued only seven citations in the first year-and-a-half of its ordinance.

It is difficult to say how many additional municipalities will outlaw texting while driving. In January, the Amarillo Traffic Commission unanimously voted to recommend a citywide ordinance outlawing texting while driving, pending city council approval. The city has planned some public hearings on the matter

## Debate over statewide texting-while-driving bans

Debate on whether to ban texting while driving statewide has settled on a few major points of contention: the extent to which the bans are justified, whether they are effective, and whether and how they can be enforced.

In vetoing HB 242, Gov. Perry branded the bill a “government effort to micromanage the behavior of adults.” While the state acted legitimately in restricting wireless use by novice drivers and in school zones, he said, HB 242 was an “overreach” of this authority. As an alternative, the governor suggested driver’s education courses and public service announcements to inform the public about the dangers of texting while driving.

Supporters of statewide texting-while-driving bans say that this increasingly widespread behavior endangers more than the driver. They note that the state enforces many laws designed to improve public safety while driving, such as mandatory seatbelt laws. Recent research identifies texting while driving as especially dangerous, they say, tantamount to drinking while driving and reckless driving — offenses that carry stiff penalties. Laws against this behavior do not preclude other initiatives, such as driver education, designed to discourage the practice.

Supporters of texting-while-driving bans say the difficulty of enforcing them does not negate their value. Many traffic laws, such as those outlawing driving while intoxicated, are difficult to enforce. This should not prevent the state from attempting to enforce laws against behaviors that threaten public safety.

Opponents argue that such restrictions represent unwarranted government intrusion into the private affairs of adults without a clear safety benefit. These laws attempt to regulate personal communication among adults even though there is no solid evidence showing that they significantly alter driver behavior. Opponents cite one study that found an increase in accidents in jurisdictions with texting-while-driving bans, arguing that attempts to avoid breaking this law can cause even more accidents (*see* “Research on text messaging and crash risk,” *page 5*).

Opponents further note that the bans are extremely hard to enforce. Peace officers, they say, generally cannot discern between when someone is sending a text message, which is prohibited, or someone is dialing a phone or merely holding the device, which generally is allowed.

before taking further action. Other municipalities, such as Odessa and Kilgore, have recently considered but rejected proposed texting-while-driving bans.

## State restrictions on mobile phone use

Nationally, 35 states and the District of Columbia have adopted general statewide bans on texting while driving, according to the Insurance Institute for Highway Safety, with 10 of those prohibiting any use of hand-held devices while driving. Seven states have enacted partial bans, and another eight states lack any restrictions (*see map*).

Texas falls into the “partial ban” category and prohibits use of a hand-held device for drivers:

- under 18 years old (or motorcyclists under 17 years old);
- operating a bus when a minor is present; or
- passing through a school zone.

***Minors.*** In 2005, SB 1257 by Lindsay enacted restrictions on hand-held device use by minor drivers in Texas, which the Legislature modified in 2009. Currently, a driver under the age of 18 may not use a wireless communication device except in an emergency. The same restriction applies to those under 17 with a restricted motorcycle or moped license. The penalty for a violation is the standard misdemeanor traffic fine of no more than \$200.

Current law under SB 1257 also prohibits bus drivers with a minor passenger from operating a hand-

held device except in an emergency or while the bus is stationary. The penalty is the standard misdemeanor traffic fine of no more than \$200.

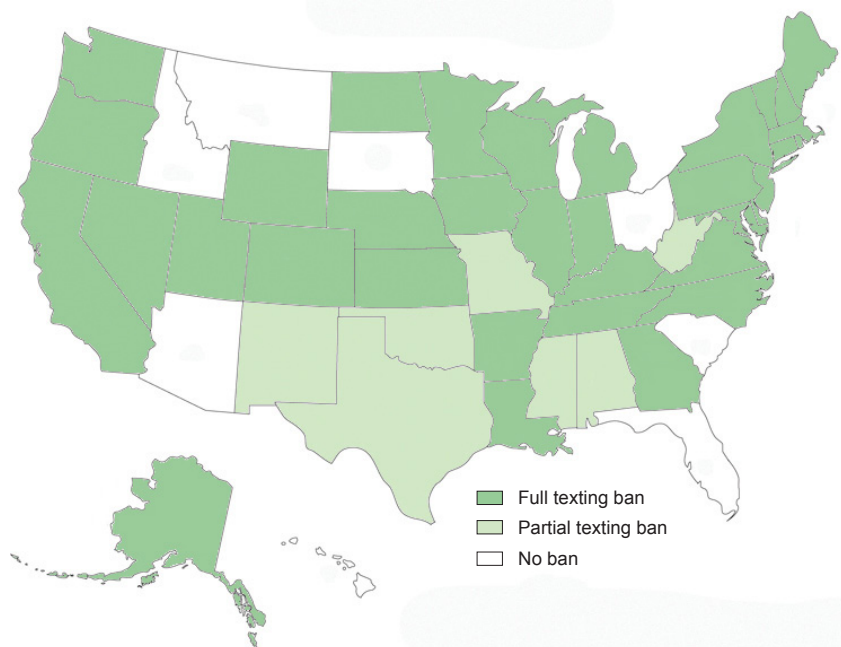
***School zones.*** In 2009, the 81st Legislature enacted HB 55 by Branch to prohibit a driver from using a wireless device in a school crossing zone unless the vehicle is stopped or the device is used hands free. The offense is a misdemeanor, with a standard state traffic fine of up to \$200, and it is a defense against prosecution if the device is used to make an emergency call. The law requires municipalities to post signs at each zone informing drivers of the restriction and allows a defense for drivers passing through zones without signs.

In 2011, the 82nd Legislature enacted HB 1899 by Pickett, modifying the 2009 law to exempt municipalities like El Paso, which bans all hand-held mobile phone use

while driving, from posting signs at every school zone. The bill's supporters argued that the law would address concerns about the costs of posting signs at every school zone for local governments with bans on all hand-held mobile phone use while driving.

*All drivers, all areas.* The governor nixed the Legislature’s attempt to impose a statewide ban on texting while driving in June when he vetoed HB 242 by Craddick. The bill would have prohibited a driver from using a hand-held wireless device to read, write, or send a text message, instant message, or e-mail, unless the vehicle was stopped. A driver would have been exempt if dialing a phone number, using a hands-free or GPS device, or relaying information using a device affixed to the vehicle as part of the driver’s job. (See “Debate over statewide texting-while-driving bans,” *page 3*.)

## Bans on texting while driving in the United States



Source: Insurance Institute for Highway Safety

## A state or a local issue?

The debate over the growing number of municipalities banning texting while driving pits the interests of local jurisdictions, which attempt to craft ordinances to reflect their residents' preferences, against the interests of the state in ensuring a minimum standard of legal uniformity.

**Supporters** of local prohibitions against texting while driving say municipalities with such ordinances legitimately tailor the law to address problems in their jurisdictions. Unlike 35 other states, Texas has no statewide prohibition on texting while driving, and the veto of HB 242 has raised doubt about whether it will in the near future. Municipalities have an undeniable mandate to protect the safety of their residents,

## Research on text messaging and crash risk

Many studies have attempted to gauge the effects of mobile phone use on driving, but more recent research has focused specifically on texting while driving.

In August 2011, a report by the Texas Transportation Institute reaffirmed recent research that found people who text while driving have a significantly higher risk of being involved in a crash. The study broke new ground by observing the effects of reading and writing text messages on drivers navigating a closed driving course.

The study found that both reading and writing texts significantly delayed reaction time — by a factor of 2.5 times for participants writing a text message and by a factor of 1.9 for those reading texts. The study also found more missed responses, greater inconsistency in speed and lane positioning, and less visual contact with the road among drivers reading and writing texts.

A 2009 study published in the journal *Human Factors* found that young drivers who sent and received texts spent up to four times less time watching the road. The study required novice drivers between the ages of 18 and 21 to read and write text messages while in a driving simulation. Drivers who were texting had up to 50 percent more variation in lane position, were 140 percent more likely to miss lane changes, and had greater variability in following distance behind a lead vehicle than drivers who were not texting.

A 2009 study sponsored by the U.S. Department of Transportation for the Virginia Tech Transportation Institute found that texting while driving increased by a factor of 23 the likelihood of drivers being involved in safety-critical events (crashes, near-crashes, conflicts, and lane deviations). The study examined driver distraction in commercial motor vehicle operations and observed drivers who had agreed to operate under surveillance for an extended period. Of all the distracting behaviors monitored, texting resulted in the longest time spent without checking the roadway (4.6 seconds over a 6-second interval, equivalent to the time required for a driver to travel about the distance of a football field at 55 miles per hour).

However, one study suggested that bans on texting while driving may actually increase the dangers that stem from the practice. A September 2010 bulletin by the Highway Loss Data Institute, *Texting Law and Collision Claim Frequencies*, found a small increase in insurance claims in states that enacted texting-while-driving bans. The report hypothesized that the unexpected finding could be a result of motorists trying to hide their phones from view while texting, directing their eyes further from the road and creating an even more hazardous driving situation.

supporters say, and inaction at the state level should not bar them from taking decisive action toward this end.

State action could reduce or eliminate municipalities' flexibility to enact laws in response to their unique problems. Although texting while driving may be a significant public safety concern in Harlingen and Brownsville, it may not be in another city or in rural areas, say those supporting local prohibitions rather than a statewide ban.

Supporters of local prohibitions against texting while driving argue that citizens are responsible for knowing the laws in each jurisdiction through which they pass. Local ordinances do vary, and the Texas Constitution sanctions this by allowing municipalities to adopt charters that reflect their unique composition and adopt laws accordingly. Prohibitions against texting while driving are essentially no different than other ordinances in that municipalities must work to inform the public about the law and the public is responsible for learning about and abiding by new laws.

**Opponents** of local texting-while-driving bans say that the growing number of municipalities with such restrictions is starting to resemble a checkerboard of regulation that makes it unreasonably difficult for citizens to obey the law. Traffic laws are distinct from other municipal ordinances, they say, since a person can easily pass through many jurisdictions on a highway. Also, residents of unincorporated areas have no way to adopt a local ban on texting while driving. Only a uniform state law would cover those outside of city limits.

Opponents invoke state law governing "rules of the road," which establish uniform, statewide penalties for driving infractions. There often is no easy way to tell when someone passes from one of Texas' 1,215 incorporated municipalities into another on a highway. The state has adopted uniform speed limits, driving practices, and requirements for red-light cameras for good reason; without them, opponents say, Texans would be awash in a flood of local requirements that would be prohibitively difficult to navigate.

Opponents note that local texting-while-driving bans vary significantly. Some municipalities, like Austin, allow texting while stopped in traffic, while others, like San Antonio, allow it only while stopped and pulled over by the curb. Some municipalities prohibit using any software applications commonly found on smartphones, while others limit the restriction to reading or composing a text message. As noted above, El Paso bans all hand-held mobile phone use while driving.

At a minimum, opponents say, the state should follow the precedent it established with red-light cameras and adopt universal requirements for municipalities that opt to prohibit texting while driving. State-adopted universal requirements could ensure that municipalities with such laws post notice informing the public of the law, adhere to certain procedures regarding citations, and set requirements governing what activities such ordinances may prohibit.

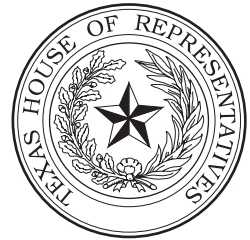
— *by Andrei Lubomudrov*

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# City of Meadowlakes

177 Broadmoor  
Meadowlakes, Texas 78654  
USA

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Phone (830) 693-2951  
Fax (830) 693-2124

## MEMORANDUM

Date: October 11, 2012  
To: Honorable Mayor and Council  
From: Mike Williams, Public Works Director  
Subject: Water Meter Replacement Program

To follow is my proposal regarding a water meter replacement program:

In looking at all options, Roman and I feel that we would be best served if we borrow money to replace a significant portion of our old water meters with the new infinity meters. We currently have \$15,000 budgeted for meter replacement this budget year and at that rate (about 40 per year) it would take 20 years to replace the remaining old water meters in our system as of today and in looking at those numbers, this project would be ongoing while at the same time in about the 10 year timeframe we would need to begin looking into replacing the brass bodies on the Infinity meters that were initially installed while we would still be in the process of replacing the old manual read meters. Roman and I visited with a representative from the City of Lago Vista last Friday regarding their approach to the same Infinity program. Lago Vista had initially planned to replace all of their 3300 water meters in 3 years. They replaced 1/3 the first year and analyzed the increase in income after 1 year and decided to complete the project the second year instead of waiting until year 3 to complete. If we were to borrow \$91,000 at 3.5% current interest rate from Government Capital, that could be paid back with the \$15,000 that we have budgeted and if that were to become an annual item in our budget, we could replace 285 meters this budget year and analyze the increase in income from those accounts to then make a determination on the remainder of the project, also the first payment would be due 1 year from the date of the loan. I have visited with Stephanie from Government Capital, a company with whom we have had a financial relationship with for a while now and with the interest rates that we were quoted for a 7 year loan and we have been quoted a payment of approximately \$39,000 per year to replace the entire system. We have estimated a reasonable increase in income of about \$18,000 per year average if we replace the entire meter system and when you add in the money that is budgeted that would come to \$33,000 which would leave us about \$6,000 short per year of the payment amount. We feel that the increase in income should be greater than projected, but would like to study that by replacing a portion of our system and analyzing the effect as I had stated above.

Thank you for your consideration,

Mike Williams  
Public Works Director

*City of Meadowlakes*  
Items for Consideration  
City Council Meeting  
November 13, 2012

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**Item: VII-C**

**Date:** November 7, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Johnnie Thompson, City Manager

**Agenda Item:** VII-C – Sale of Surplus real property including the feasibility for the sale of surplus real property, development of policy for use of funds generated from the sale, appointment of golf course Reconfiguration Committee

**Requested Council Agenda Date:** November 13, 2012

1. **Contact Name & Number:** Stephanie Littleton, City Secretary - 830-693-6840
2. **Place On:** ☐ Consent ☒ **New Business** ☐ **Old Business**
3. **Budget Impact Statement Attached:** ☐ Yes ☐ No ☒ **N/A**
4. **Original Copies of Documents Approved to from by City Attorney?** ☐ Yes ☒ No ☐ **N/A**
- 

**6. Background:**

As you may recall last month Mayor Williams briefed the Council on the possibility of the development and possible sale of certain underutilized real properties owned by the City. The vast majority of the discussed properties were located on the golf course with the exception of a tract of land the City owns on Mahan that was donated to the City by the POA several years ago.

Mayor Williams and I have reviewed several different parcels of land owned by the City that could be better utilized. We believe that three lots could easily be developed on City owned property. It appears that two lots could be carved out of the property located on Mahan and one lot from golf course property located on Olympia Fields. All three proposed parcels are indicated on the attached drawings. It does appear that the City has the statutory authority to develop and sell surplus real property; however some restrictions do apply. The property cannot be sold for less than fair market value as determined by an appraisal and it must be sold via public auction or sealed bids. The cost of development of these parcels into lots will be several thousand dollars and would include surveying cost, legal cost and installation of utilities such as water, sewer, power telephone and cable TV. The proposed lots would require re-platting and would require a zoning change to allow for residential use.

I am still in the process of developing a resolution that will authorize the Mayor to begin the process of developing the lots as discussed. I hope to have it completed by tomorrow (Friday) so it may be coming to you as a late arrival.

# City Lot Sales Proposal

Prepared by Mayor Don Williams

1. The City by the most efficient and expedient way, will legally create and sell three lots, two located on property on the second block of Mahan and one being located on Olympia Fields adjacent to lot 65, Section 1.

The funds received from the sale of these properties less the cost of development of said property are to be deposited in the Recreation and Country Club Fund Infrastructure Maintenance Reserve Fund. In addition any funds generated from the sale of the initial three lots may be utilized to fund the development of additional surplus real property own by the City.

2. A Reconfiguration Committee will be formed and appointed by the Mayor which shall include the Mayor, one council member, two members of the Board of Directors of the Meadowlakes Public Facility Corporation and one at-large golf club member. The charge of this committee is to investigate and make recommendations to the City regarding the development and possible sale of additional surplus real property located on the golf course properties.

A preliminary review of known surplus properties have identified surplus property that could possibility be developed into seven (7) additional lots. These are:

- a. Four (4) lots on Firestone Drive, near the intersection of Firestone Drive and Dogleg. The development of these lots would require reconfiguration of the #12 golf hole.
- b. One (1) lot at the intersection of Columbine and Olympia Fields. In order to develop this lot the #6 tee box would have to be reconfigured.
- c. Two (2) lots at the intersection of Dog Leg and Firestone Drive, reconfiguration of #14 green would be required.

The Council will have final approval over the reconfiguration of the golf course and determination if any surplus property is offered for sale. All funds derived from the sale of these additional lots less development and relocation costs will be utilized to fund the Recreation and Country Club Infrastructure Maintenance Reserve Fund.

# *City of Meadowlakes*

## Items for Consideration

### City Council Meeting

November 13, 2012

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Item: VII-D

**Date:** November 6, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Johnnie Thompson, City Manager

**Agenda Item:** VII-D –Memorandum of Understanding between the City and Burnet County for providing 9-1-1- addressing information

**Requested Council Agenda Date:** November 13, 2012

**1. Contact Name & Number:** Johnnie Thompson, City Manager - 830-693-2951

**2. Place On:** ☐ Consent ☒ New Business ☐ Old Business

**3. Budget Impact Statement Attached:** ☐ Yes ☐ No ☒ N/A

**4. Original Copies of Documents Approved to from by City Attorney?** ☐ Yes ☒ No ☐ N/A

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#### **6. Background:**

Please find attached for your review and consideration a Memorandum of Understanding between the City and Burnet County for providing addressing information to the County's 9-1-1 Addressing Office. As mentioned in the accompanying letter from Ms. Castillo we have been providing this information via a verbal agreement, however the County feels that the verbal agreement should be in a written format; thus the proposed Memorandum of Understanding is being proposed to clarify what is expected of each party.

#### **7. Recommendation:**

The agreement seems to be very straightforward and does address the services provided to the County by the City. I would recommend that you approve the agreement as proposed and that you authorize the Mayor to execute on the City's behalf.



THE COUNTY OF BURNET  
Burnet, Texas 78611

November 1, 2012

Don Williams, Mayor  
City of Meadowlakes  
177 Broadmoor, Ste. A  
Meadowlakes, Texas 78654

Honorable Mayor Williams:

I have enclosed two Memorandums of Understanding for your council's approval between the City of Meadowlakes and Burnet County for the benefit of the county 9-1-1 addressing office.

The Capital Area Planning Council of Governments (CAPCOG) provides the funds to each of its ten counties to assist with 9-1-1 database maintenance and employing a county 9-1-1 addressing coordinator. As we grow and newer more advanced technology becomes a reality, the data received at our PSAP's will be more GIS based data. Thus, this data becomes a crucial part of our contribution to the database. In order to fulfill our responsibilities to CAPCOG and insure the integrity of all data downloaded to the 9-1-1 database for use by our county's cities and community emergency responders, many processes need to be performed.

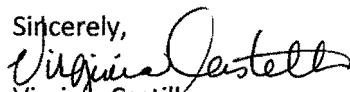
In the past our addressing office has maintained excellent results from the cities with verbal agreements in place. We have canvassed other counties within our Capital Area Council of Governments and found written agreements are in place to insure that expectations and commitments are specific.

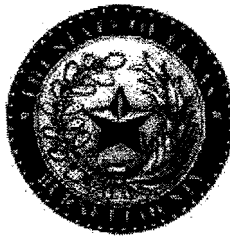
We have reviewed our duties to our county's cities and documented them. In turn, we have also documented what is needed from our cities to comply with CAPCOG expectations on database management.

If you have any questions please email [bc911@burnetcountytexas.org](mailto:bc911@burnetcountytexas.org) or call our office at (512)-756-5458.

After approval by your council please retain one original for your files and return one to:

Burnet County Auditor  
220 S. Pierce St.  
Burnet, Texas 78611

Sincerely,  
  
Virginia Castillo  
9-1-1 Coordinator



## **Memorandum of Understanding**

Agreement to provide addressing information

This Memorandum of Understanding is entered into this \_\_\_\_ day of \_\_\_\_\_, 2012 by and between the **City of Meadowlakes** and **Burnet County**, Texas for the benefit of the Burnet County 9-1-1 Addressing Office.

WHEREAS, the City of Meadowlakes provides addressing services to the citizens of Meadowlakes; and

WHEREAS, the Burnet County 9-1-1 Addressing Office is responsible for maintaining accurate Master Street Addressing Guide (MSAG) and address records for Burnet County with the State of Texas.

NOW, THEREFORE, the parties agree as follows:

### **The City of Meadowlakes will provide to the County Addressing Office:**

1. New address updates or changes within the city.
2. Notification of annexations/deannexations and written legal descriptions and any drawings of all legal boundary changes.
3. Preliminary review/approval of new street names within City limits to avoid duplicity and confusion.
4. MSAG updates, such as new streets, changed street names and/or ranges, etc.
5. Addressed copies of any new subdivision plats and any digital data that may accompany the plats.

### **Amendments and Duration:**

This agreement may be amended by written mutual agreement of all parties. This agreement shall be effective upon signing by the respective party, which should continue unless terminated by all signed parties. Any signatory may withdraw from this agreement at any time by providing a 90 day notice to all other signatories. This agreement shall be reviewed annually by the parties for clarity or for any modification deemed necessary.

**Entire Agreement:**

This MOU constitutes the entire understanding of the parties involved with respect to the subject matter hereof and supersedes any prior understandings, agreements, and representations by and between the parties, whether written or oral.

IN WITNESS HEREOF, the parties have caused this MOU to be executed as of the date first above written.

ATTEST:

**CITY OF MEADOWLAKES, TEXAS**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: City Secretary

Title: Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

**BURNET COUNTY, TEXAS**

By: *Jane Parker*

By: *D. Kleager*

Title: County Clerk

Title: County Judge

Date: 10-23-12

Date: 10-23-12

By: *Virginia Jostell*

Title: 9-1-1 Addressing Coordinator

Date: 11-1-12

*City of Meadowlakes*  
Items for Consideration  
City Council Meeting  
November 13, 2012

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**Item: VII-E**

**Date:** November 6, 2012

**To:** Honorable Mayor Williams and Council Persons

**From:** Stephanie Littleton, City Secretary

**Agenda Item:** VII-E –Status Update: Recommendation from P&Z to appoint POA Vice-Chairman to P&Z Commission

**Requested Council Agenda Date:** November 13, 2012

1. **Contact Name & Number:** Stephanie Littleton, City Secretary - 830-693-6840
  2. **Place On:** ☐ Consent ☒ New Business ☐ Old Business
  3. **Budget Impact Statement Attached:** ☐ Yes ☐ No ☒ N/A
  4. **Original Copies of Documents Approved to from by City Attorney?** ☐ Yes ☒ No ☐ N/A
- 

**6. Background:**

At the last Planning & Zoning Commission meeting, member Herb Lewis brought up an old provision that has not been in practice for several years. This provision stated that one of the places held on the P&Z Commission should be held by the POA Vice-Chairman. This issue arose as the P&Z Commission was discussing the vacancy of the position previously held by Bob Ryan. The P&Z voted unanimously to recommend that the Council consider reinstituting this provision; and with the POA's approval, appointing the current Vice President of the POA board to the open spot on the Planning & Zoning Commission.

Bob Ryan, who held Place 5 on the Planning and Zoning (P&Z) Commission, has recently moved from the City, thus leaving a vacancy. At the last P&Z meeting a general discussion was held among the commission regarding the filling of this open position. Herb Lewis, who has sat on the commission for several years, stated that in 2006 a Resolution was approved by the City Council appointing the Vice-Chairman of the Property Owners Association as a member of the P&Z, subject to Council approval. Is it to be noted that this provision has not been the practice for the past several years. After their discussion a motion was made to request the Council consider re-instituting the previous policy of appointing the POA Vice-Chairman to the Commission, it passed unanimously.

**7. Recommendation:**

The Resolution Mr. Lewis referenced was passed by the Council in August of 2006 (Resolution 06-013 attached) and provides for the Property Owners Association (POA) Vice-Chairman to be appointed to the Commission subject to confirmation by the Council and his/her term would coincide with their POA term.

As you may recall, we recently adopted a policy for the appointment of members to the various commissions, committees and boards in an effort to formalize the appointment procedure and to have concurrent dates for all appointees. There is nothing in the existing policy that would prevent the Council from appointing the POA Vice-Chairman to the P&Z Commission; however an individual cannot serve on both the Building Committee and the P&Z Commission.

## RESOLUTION NO. 06-013

Date 09/05/2006

A RESOLUTION BY THE CITY OF MEADOWLAKES, TEXAS TO  
APPOINT MEMBER OF PLANNING AND ZONING COMMISSION  
(P&Z)

WHEREAS, the city of Meadowlakes has established a P&Z Commission, and

WHEREAS, the P&Z Commission requires qualified members with informed and  
city wide viewpoints, and

WHEREAS, the representation shall include knowledge of the Covenants,  
Conditions and Restrictions and the interests of the POA, and

WHEREAS, their exists complementary procedures between the Commission and  
the Building Committee/Architectural Committee, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby appoints  
the following individuals to serve on the P&Z Commission compliant with terms, duties,  
and requirements contained in the Meadowlakes Code.

PLACE	NAME
*1	Herb Lewis – Chairman
2	POA Building Committee Liaison – Vice Chairman (individual nominated by POA, confirmed by City Council. Subsequent appointments/resignation assumed in order to maintain consistent with terms of POA office)
*3	Homer Snider – Member
4	Jim Rogers – Member
*5	Joe Summers - Member

\* Initial appointments for place 1,3, and 5 are for 1 year. Place 2 and 4 is for 2  
years, Subsequent terms of appointments shall follow requirements specified in  
Meadowlakes Code, subject to the provision that city desires that place 2 office holder be  
maintained consistent with POA liaison appointments.

**PASSED AND APPROVED** this the 5th day of September, 2006

ATTEST:

  
Linda A. Wendling, City Secretary

SIGNED:

  
John Aaron, Mayor

