

KENNEDALE CITY COUNCIL AGENDA

REGULAR MEETING | SEPTEMBER 21, 2021 AT 5:30 PM

CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

MEMBERS OF THE PUBLIC MAY JOIN IN PERSON OR

ACCESS A LIVE FEED AT WWW.CITYOFKENNEDEALE.COM/VIDEOS

THE VIRTUAL OPTION DOES NOT ALLOW FOR PUBLIC COMMENT

I. CALL TO ORDER

To address the City Council regarding an agenda item, submit a 'Request to Speak' form before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the form, and should address the Council as a whole, rather than individual Councilmembers or staff.

II. WORK SESSION

A. WORK SESSION REPORTS

1. Presentation by Tarrant County Clerk Mary Louise Nicholson of the Tarrant County 2020 Coronavirus Pandemic historical book to the Kennedale Public Library
2. Discuss and consider offering staff direction regarding the Economic Development Corporation (EDC) Board priorities, funding, and staffing

B. REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

III. EXECUTIVE SESSION

The City Council reserves the right to adjourn into executive session at any time during this meeting to discuss any agenda item as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), as well as the following:

- A. **PURSUANT TO §551.074** — Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee; and the following:
1. City Manager

IV. RECONVENE INTO OPEN SESSION AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

V. REGULAR SESSION

A. ROLL CALL

B. INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS

C. VISITOR AND CITIZEN FORUM

At this time, any person may address the Council about items not on the agenda. Rules and procedures for addressing the Council are included under "I. CALL TO ORDER". Neither formal action nor discussion may occur at this time. Those wishing, instead, to speak on an agenda item should indicate their desire to speak as the Council considers that item.

D. REPORTS AND ANNOUNCEMENTS

In addition to any items below, the Mayor and Council may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

1. Updates from the City Council

2. Updates from the Mayor
 - Senior Center Month Proclamation
3. Updates from the Interim City Manager
4. Financial Reports for the City and the EDC

E. CONSENT AGENDA

These matters have appeared on previous agendas, require little or no deliberation, or are considered routine or ministerial tasks. If discussion is desired, items may be removed for separate consideration.

1. Adoption of Amended minutes for the June 15, 2021 Regular Meeting
2. Approval of the minutes from the July 22, 2021 special meeting
3. Approval of the minutes from the August 10, 2021 special meeting
4. Approval of the minutes from the August 17, 2021 regular meeting
5. Approval of the minutes from the August 24, 2021 special meeting
6. Approval of the minutes from the August 31, 2021 special meeting

F. ITEMS FOR INDIVIDUAL CONSIDERATION

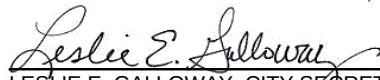
1. Consider adoption of an Ordinance authorizing the issuance, sale and delivery of up to \$6,000,000 in aggregate principal amount of "City of Kennedale, Texas Combination Tax and Revenue Certificates of Obligation, Series 2021"; securing the payment thereof by authorizing the levy of an annual ad valorem tax and a pledge of certain surplus revenues of the City's municipal waterworks and sewer system; and approving and authorizing the execution of a paying agent/registrar agreement, an official statement and all other instruments and procedures related thereto
2. Discuss and consider an Ordinance, adopting the Budget for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022
3. Discuss and consider ratification of property tax increase reflected in FY2021–2022 Adopted Budget
4. Discuss and consider approval of an Ordinance, fixing and levying municipal Ad Valorem Taxes for the City of Kennedale, Texas, for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022
5. Discuss and consider approval of a three-year renewal of M&R Janitorial Services contract

G. PUBLIC HEARINGS

VI. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE SEPTEMBER 21, 2021 KENNEDALE CITY COUNCIL AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.


LESLIE E. GALLOWAY, CITY SECRETARY

In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.

POSTED _____ (DATE) _____ (TIME)

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: WORK SESSION ITEM II.A.1.

SUBJECT

Presentation by Tarrant County Clerk Mary Louise Nicholson of the Tarrant County 2020 Coronavirus Pandemic historical book to the Kennedale Public Library

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Tarrant County Clerk Mary Louise Nicholson will present the City of Kennedale's Public Library with an official copy of the Tarrant County 2020 Coronavirus Pandemic book, which was created by her team to capture this historic year and memorialize the events of the 2020 pandemic through an illustrative narrative as they occurred in Tarrant County government.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: WORK SESSION ITEM II.A.2.

SUBJECT

Discuss and consider offering staff direction regarding the Economic Development Corporation (EDC) Board priorities, funding, and staffing

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

This item was added to the agenda at the request of the Council.

RECOMMENDATION

Approve

ATTACHMENTS

1.	R62 Establishing EDC	R62 Establishing EDC.pdf
2.	EDC Articles of Incorporation	EDC Articles of Incorporation.pdf
3.	EDC Current Bylaws (as amended)	EDC Current Bylaws (as amended).pdf

RESOLUTION NO. 62

**A RESOLUTION AUTHORIZING THE CREATION OF THE
KENNEDALE ECONOMIC DEVELOPMENT
CORPORATION; APPROVING THE ARTICLES OF
INCORPORATION AND INITIAL BYLAWS OF THE
CORPORATION; APPOINTING THE INITIAL DIRECTORS
OF THE CORPORATION; AND PROVIDING AN
EFFECTIVE DATE.**

WHEREAS, the city held an election on August 10, 1996, at which the voters approved a one-half of one percent sales and use tax for the benefit of a development corporation pursuant to Section 4B of the Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Texas Civil Statutes, (the "Act"), as amended; and

WHEREAS, pursuant to the authority of the Act, the city council desires to authorize the creation of a non-profit corporation (the "Corporation") to act on its behalf in undertaking projects authorized by Section 4B of the Act; and

WHEREAS, this meeting is open to the public as required by law, and public notice of the time, place, and purpose of this meeting was given as required by the Texas Open Meetings Act, Chapter 551, Government Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF KENNEDALE, TEXAS:**

SECTION 1.

That the city council hereby authorizes the creation of the Kennedale Economic Development Corporation, approves the Articles of Incorporation (the "Articles") in substantially the form and substance attached to this resolution as Exhibit A, and authorizes the filing of the Articles with the Secretary of State of Texas in accordance with the Act. The city council further designates the Kennedale Economic Development Corporation as a corporation under Section 4B of the Act.

SECTION 2.

That the city council appoints those persons named in the Articles, to serve as the initial members of the board of directors of the Corporation, subject to the authority of the city council under the Articles.

SECTION 3.

That it is the intent of the city council that the Corporation be an instrumentality of the city, with the power to act on its behalf and to accomplish the public purposes of projects and improvements that promote economic development within the city, including, but not limited to, construction, operation, and administration, as permitted by Section 4B of the Act, as amended.

SECTION 4.

That the board of directors of the Corporation shall develop a capitol improvements plan and an economic development strategic plan. These plans shall be submitted to the city council for approval by January 1, 1997. The annual budget of the corporation shall be based on these plans which may be amended from time to time when approved by the city council.

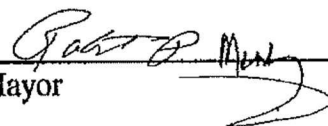
SECTION 5.

That the city council hereby approves the bylaws for the Corporation in substantially the form and substance attached to this resolution as Exhibit B.

SECTION 6.

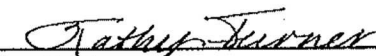
That this resolution shall take effect from and after its passage, and it is so resolved.

Adopted this 14th day of November, 1996.



Mayor

ATTEST:



City Secretary

ARTICLES OF INCORPORATION

OFFICIAL CITY
SECRETARY'S COPY.

OF

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

THE STATE OF TEXAS

§

§

COUNTY OF TARRANT

§

§

CITY OF KENNEDALE

§

FILED
In the Office of the
Secretary of State of Texas

DEC 02 1996

CORPORATIONS SECTION

WE, THE UNDERSIGNED natural persons, not less than three in number, each of whom is at least 18 years of age, and each of whom is a qualified elector of the City of Kennedale, Texas, a municipal corporation established under the Texas Constitution, acting as incorporators of a public instrumentality and nonprofit development corporation (the "Corporation") under the "Development Corporation Act of 1979", as amended, with the approval of the City Council of the City of Kennedale, Texas (the "City") as evidenced by the Resolution attached as Attachment "A" and made a part of these Articles for all purposes, do hereby adopt the following Articles of Incorporation for the Corporation:

ARTICLE I

NAME

The name of the Corporation is "Kennedale Economic Development Corporation."

ARTICLE II

AUTHORIZATION

The Corporation is a nonprofit corporation, and is a development corporation under Section 4B of the Development Corporation Act of 1979, as amended, Article 5190.6 Vernon's Texas Civil Statutes, (the "Act").

ARTICLE III DURATION

The period of duration of the Corporation is perpetual.

ARTICLE IV PURPOSE AND LIMITATIONS

The Corporation is organized exclusively for the purposes of benefiting and accomplishing public purposes of, and acting on behalf of, the City in the promotion and development of projects approved by the voters of the City at an election held on August 10, 1996, including, but not limited to public parks, park facilities and events, open space improvements, learning centers, municipal buildings, related area transportation facilities, and related roads, streets, and water and sewer facilities, recycling facilities and projects to promote new or expanded business enterprises including public safety facilities, professional and amateur athletics and sports including stadiums, ball parks, auditoriums, projects related to entertainment, convention, tourist, and exhibition facilities, amphitheaters, concert halls, museums and related stores, restaurant, concession, and automobile parking facilities, demolition of existing structures, and general improvements that are municipally owned, as well as any other improvements or facilities that are related to any of the above projects and any other project authorized under Section 4B of the Act, and maintenance and operation costs associated with such projects. The Corporation may issue bonds on behalf of the City to finance projects. The Corporation is a constituted authority and a public instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Sections 103 and 141 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the City as provided in these Articles of Incorporation. However, the Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its constitution and laws, including, without limitation, Article III, Section 52 of the Texas Constitution, and no agreements, bonds, debts or obligations of

the Corporation are or shall ever be deemed to be the agreements, bonds, debts or obligations, a pledge of faith and credit, the lending of credit, or a grant of public money or thing of value of or by the City, or any other political corporation, subdivision or agency of the State of Texas.

ARTICLE V FINANCING

(a) No bonds may be issued by the Corporation and no project may be financed with bond proceeds or other revenues of the Corporation unless the bonds or projects are first approved by the City Council.

(b) In the exercise of the powers of the Corporation, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public purpose of the Corporation, all of which agreements, and the specific uses, and the methods of withdrawal and expenditure of the proceeds of the bonds, notes, or other debt instruments proposed to be issued by the Corporation, shall be stated and described in the proceedings authorizing the bonds, notes, or other debt instruments, and must be included as a part of the approval process of the City Council required above. In connection with the issuance of its obligations, the Corporation shall select bond counsel and financial advisors acceptable to the City Council.

(c) In the exercise of the powers of the Corporation, the Corporation may not enter into any loan, lease, trust, or other agreement the effect of which would grant, convey, transfer, mortgage, encumber, pledge or assign a security interest or any interest in any property owned by the City. Any agreement entered into by the Corporation shall contain language substantially to the effect that any grant, conveyance, transfer, mortgage, encumbrance, pledge or assignment of property owned by the City is prohibited.

ARTICLE VI MEMBERS

The Corporation has no members and is a nonstock corporation.

ARTICLE VII SALES TAX

Upon receipt from the City of the proceeds of the sales and use tax imposed under Section 4B of the Act, the Corporation may use the proceeds to pay the cost of projects and improvements (including, but not limited to construction, maintenance, operation, and administration) as defined in Section 4B(a) of the Act and for the promotion of economic development as provided in the Act. The proceeds may also be expended to pay the principal and interest on, and other costs relating to bonds or other obligations issued by the corporation to pay the costs of the projects, or to refund bonds or other obligations issued to pay the costs of projects.

ARTICLE VIII CONTRACTS AND EXPENDITURES

All contracts of the Corporation must be approved by the City Council before the contract is executed by the officers of the Corporation. After a contract is approved by the City Council, expenditures made in accordance with the terms of that contract do not require additional city council approval. Other expenditures of the Corporation require City Council approval before the expenditure is made.

ARTICLE IX AMENDMENT

These Articles of Incorporation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles of Incorporation in the first instance. Any amendment may be accomplished in either of the following manners:

(1) The members of the board of directors of the Corporation may file with the City Council of the City a written application requesting approval of amendments to the Articles of Incorporation, specifying the amendments proposed to be made. The City Council shall consider the application and, if it determines that it is advisable that the proposed amendments be made and approves the proposed amendments by resolution, then the board

of directors of the Corporation may amend the Articles of Incorporation by adopting the approved amendments at a meeting of the board of directors and delivering articles of amendment to the Secretary of State; or

(2) The City Council of the City may, at its sole discretion, and at any time, amend these Articles of Incorporation and alter or change the structure, organization, programs or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act, and subject to any limitation provided by the constitutions and laws of the State of Texas and the United States of America on the impairment of contracts entered into by the Corporation) by written resolution adopting the amendment to the Articles of Incorporation or by articles of dissolution at a meeting of the City Council and delivering articles of amendment or dissolution to the Secretary of State, as provided in the Act. Restated Articles of Incorporation may be filed with the Secretary of State as provided in the Act if approved by the City Council.

ARTICLE X ADDRESS

The street address of the initial registered office of the Corporation is P.O. Box 268, 209 N. New Hope Road, Kennedale, Texas 76060, and the name of its initial registered agent at that address is Kathy Turner, a resident of the State of Texas.

ARTICLE XI BOARD OF DIRECTORS

(a) The affairs of the Corporation shall be managed by a board of directors which shall be composed of seven persons appointed by the City Council of the City for two-year terms of office. Places 1, 3, 5, and 7 shall be appointed in odd-numbered years, and the initial term shall expire in 1997. Places 2, 4, and 6 shall be appointed in even-numbered years, with the initial term expiring in 1998. Terms shall begin October 1st of each year.

(b) Each director must be a resident of the City. At least three of the directors must not be employees, officers, or members of the City Council. A majority of the entire

membership of the board, including any vacancies, is a quorum. The board shall conduct all meetings within the boundaries of the City.

(c) The names and street addresses of the persons who are to serve as the initial directors and the dates of expiration of their initial terms as directors, are as follows:

	<u>NAMES</u>	<u>ADDRESSES</u>	
(1)	Tom Boone	908 Little School Road	Kennedale, Texas 09/30/97
(2)	Ron Kovach	816 Shady Creek	Kennedale, Texas 09/30/98
(3)	Gregory Sellers	618 Bluebonnet Lane	Kennedale, Texas 09/30/97
(4)	Nita Vaughn	408 Coker Valley Drive	Kennedale, Texas 09/30/98
(5)	Robert Duval	1010 Colonial Court	Kennedale, Texas 09/30/97
(6)	John Berry	604 Hillside Drive	Kennedale, Texas 09/30/98
(7)	Michael Box	101 Bowles Court	Kennedale, Texas 09/30/97

Each director must be qualified voter of the City. Each director, including the initial directors, shall be eligible for reappointment. Directors may be removed by the City Council at any time without cause.

(d) The directors shall serve without compensation but, they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors. Any vacancy occurring on the board of directors shall be filled by appointment by the City Council of a person who shall hold office until the expiration of the term. A director who is a member of the city council shall cease to be a director upon ceasing to be a member of the city council. The directors shall elect a president and vice-president and the city secretary shall be the secretary and treasurer of the corporation, as more specifically provided in the corporation's bylaws. The term of the president and the vice-president shall be for a period of one year, expiring on the Third Tuesday of August of each year. The city administrator, or city manager, as the case may be, shall serve as executive director of the corporation to provide administrative support services for the corporation.

(e) Meetings of the board of directors are subject to the Texas Open Meetings Act, Chapter 551, Texas Government Code, and the Corporation is subject to the Texas Open Records Act, Chapter 552, Texas Government Code.

ARTICLE XII INCORPORATORS

The names and addresses of the original incorporators are:

<u>NAMES</u>	<u>ADDRESSES</u>
(1) <u>Margaret Eichelberger</u>	<u>801 Shady Creek</u> , Kennedale, Texas
(2) <u>Vicki Thompson</u>	<u>916 Harrison Drive</u> , Kennedale, Texas
(3) <u>Linda Royster</u>	<u>1401 Peggy Lane</u> , Kennedale, Texas

Each incorporator is a qualified elector of the city.

ARTICLE XIII CITY COUNCIL APPROVAL

The City Council has specifically authorized the Corporation by Resolution to act on its behalf to further the purposes approved by the voters at an election held August 10, 1996, as stated in the Resolution and in these Articles of Incorporation. By the same Resolution, the City Council has approved these Articles of Incorporation. A copy of the authorizing Resolution is attached to these Articles of Incorporation and made a part of them for all purposes.

ARTICLE XIV RESTRICTIONS

(a) No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation or association.

(b) No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of

or in opposition to any candidate for public office.

(c) If the Corporation is ever determined to be a private foundation within the meaning of Section 5.09(a) of the Internal Revenue Code of 1986, as amended (the "Code"), the Corporation:

(1) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code;

(2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;

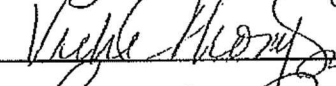
(3) shall not retain any excess business holdings as defined in Section 4943(c) of the Code;

(4) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code; and

(5) shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

ARTICLE XV DISSOLUTION

If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction or provision for satisfaction of debts and claims.


Incorporators

KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

BYLAWS

ARTICLE I. OFFICES

1.01 Location. The principal office of the Kennedale Economic Development Corporation (the "corporation") is located at the Kennedale City Hall, 405 Municipal Drive, Kennedale, Texas[RPM1] 76060.

ARTICLE II. DIRECTORS

2.01 Number, Appointment, and Term of Office. The business and affairs of the corporation shall be managed by a board of seven directors (the "Board"). Directors shall be appointed by the city council of the City of Kennedale ("City Council"), and at least three directors must not be employees, officers, or members of the City Council. Each member of the Board shall serve at the pleasure of the City Council for a term of two years. Each director shall be a resident of the City of Kennedale ("City") and is entitled to one vote upon the business of the corporation.

2.02 Vacancies. In case of a vacancy on the Board, the City Council shall appoint a successor to serve the remainder of the unexpired term.

2.03 Regular Meeting; Place of Meetings. Regular meetings shall be held from time to time as determined by resolution of the Board and shall be held at the Kennedale City Hall, 405 Municipal Drive, unless otherwise determined by resolution of the Board. In any event, all meetings shall be held within the corporate boundaries of the City of Kennedale. A meeting of the Board for the election of officers and the transaction of other business shall be held on the third Tuesday in October of each year, unless changed by resolution of the Board. All meetings shall be called and held in accordance with the Texas Open Meetings Act, Chapter 551, Government Code, as amended.

2.04 Special Meetings. Special meetings of the Board shall be held whenever called by the president or upon written request by two directors.

2.05 Notice of Meetings. The secretary shall cause notice of the time and place of holding each meeting of the Board to be given to each director. The notice may be in writing, in person, or in person by telephone. Notice of each meeting shall also be given to the public in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Government Code, as amended.

2.06 Quorum. A majority of the membership of the Board, including vacancies, shall constitute a quorum for the transaction of business.

2.07 Order of Business. The order of business shall be determined by the Board.

2.08 Presiding Officer. At all meetings of the Board, the president, or in the president's absence, the vice-president, or in the absence of both of these officers, a member of the Board selected by the directors present, shall preside. The secretary of the corporation shall sit as secretary at all meetings of the Board, and in case of the secretary's absence, the presiding officer shall designate any person to act as secretary.

2.09 Management. The property and business of the corporation shall be managed by the Board which may exercise all powers of the corporation.

2.10 Additional Powers. In addition to the powers conferred by these by-laws, and with the approval of the City Council, the Board may exercise all powers of the corporation and do all lawful acts and things that are not prohibited by statute, or these by-laws including, but not limited to the following powers:

- (1) To purchase, or otherwise acquire for the corporation, any property, rights, or privileges which the corporation is authorized to acquire, at such price or consideration and generally on such terms and conditions as they determine to be appropriate, and at their discretion to pay therefor either wholly or partly in money, notes, bonds, debentures, or other securities or contracts of the corporation as may be lawful.
- (2) To create, make and issue notes, mortgages, bonds, deeds of trust, trust agreements and negotiable or transferable instruments and securities, secured by mortgage or deed of trust on any real property of the corporation or otherwise, and to do every other act or thing necessary to effect the same.
- (3) To sell, lease, or otherwise transfer the real or personal property of the corporation on such terms as the Board may see fit and to execute all deeds, leases and other conveyances or contracts that may be necessary for carrying out the purposes of this corporation.

ARTICLE III. OFFICERS

3.01 Compensation of Directors and Officers. Directors and officers shall not receive any salary for their services but by resolution of the Board, expense incurred in the corporation's business may be reimbursed.

3.02 Executive Officers. The executive officers of the corporation shall be a president and vice-president. The Board, at each annual meeting shall elect these officers by ballot. These offices shall be held by Board directors.

3.03 Other Officers. The office of secretary shall be held by the city secretary. The office of treasurer shall be held by the city's director of finance. The city manager shall serve as the executive director of the corporation and shall provide such staff as may be necessary for administrative support services for the corporation. The Board may appoint such other officers as they deem necessary, who shall have such authority and shall perform such duties as from time to time may be prescribed by the Board. The Secretary, Treasurer and Executive Director shall be non-voting ex officio members of the Board.

3.04 Powers and Duties of the President. The president shall preside at all meetings of the directors. He or she shall have power to sign and execute all contracts and instruments of conveyance in the name of the corporation, to sign checks, drafts, notes and orders for the payment of money, and to appoint and discharge agents and employees, subject to the approval of the Board. He or she shall have general and active management of the business of the corporation and shall perform all the duties usually incident to the office of president.

may be given personally, or it may be given in writing by depositing it in the post office or letter box in a post paid envelope or postal card addressed to the director or officer, at the address as appears on the books of the corporation, and the notice shall be deemed to be given at the time when it is mailed. Whenever any notice to directors or officers is required to be given by law, or by these bylaws, a waiver in writing signed by the person or persons entitled to the notice, whether before or after the time stated shall be deemed the equivalent of notice. This paragraph does not eliminate the requirement to comply with the Open Meetings Act.

7.02 Negotiable Instruments. All checks, drafts, notes or other obligations of the corporation shall be signed by such of the officers of the corporation or by such person or persons as may be authorized by the Board. All checks shall require the signature of two persons.

7.03 Resignations. Any director or officer may at any time resign. Resignations shall be made in writing and shall take effect at the time specified in the resignation, or, if no time be specified, at the time of its receipt by the president or the secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

7.04 Approval of the City Council. To the extent these bylaws refer to any approval or other action to be taken by the city, that approval or action shall be evidenced by a certified copy of a resolution, ordinance, or motion duly adopted by the City Council.

7.05 Organizational Control. The City Council at its sole discretion, and at any time, may alter or change the structure, organization or activities of the corporation (including the termination of the corporation), subject to any limitation on the impairment of contracts entered into by such corporation. The foregoing notwithstanding, the city, at all times during which any indebtedness of the corporation, the interest on which is exempt from federal income taxation, remains outstanding, will maintain a beneficial interest in the corporation.

7.06 Annual Audit. The Board shall arrange for an annual independent audit of the corporation's books and records and shall present the audit report to the City Council within 180 days of the end of each fiscal year.

7.07 Reports. The Board shall present to the City Council for review at the next applicable Council meeting, minutes of each Board meeting as an activity report detailing the projects and work accomplished since the Board's previous meeting.

7.08 Forfeiture of Office.

- (1) A Board member shall forfeit office if the member:
 - (a) lacks at any time during the term of office any qualifications for the office prescribed by law or these bylaws;
 - (b) violates any express prohibition of these bylaws; or
 - (c) fails to attend three consecutive regular meetings of the Board without notice to and being excused by the Board or the City Council.

3.05 Vice-President. The vice president shall have such powers and perform such duties as may be delegated to him or her by the Board. In the absence or disability of the president, the vice-president may perform the duties and exercise the powers of the president.

3.06 Power and Duties of the Secretary. The secretary shall keep the minutes of all meetings of the Board in books provided for that purpose; shall provide all notices; may sign with personnel authorized by these Bylaws in the name of the corporation, all contracts and instruments of conveyance authorized by the Board; shall have charge of the books and papers of the Board; and shall in general perform all the duties incident to the office of secretary, subject to the control of the Board. Records of the corporation shall be maintained and filed in the office of the city secretary of the city.

3.07 Treasurer. The treasurer shall have custody of all funds and securities of the corporation, shall endorse on behalf of the corporation for collection, checks, notes and other obligations and shall deposit the same to the credit of the corporation in such bank or depository as the Board may designate. Whenever required by the Board, the treasurer shall render a statement of the corporation's cash account; enter regularly in the books of the corporation a full and accurate account of the corporation; and perform all acts incident to the position of treasurer, subject to the control of the Board. All written statements and accounts shall be maintained and filed in the office of the city manager for the city. The treasurer shall give a bond for the faithful discharge of his/her duties in such sum, if any, as is required for the City of Kennedale Director of Finance.

3.08 Executive Director's Additional Powers and Duties. The Executive Director may from time to time as directed by the President, Vice-President, or in the absence or disability of either, the Board, sign and execute documents, instruments of conveyance and contracts in the name of the corporation.

ARTICLE IV. CORPORATION SEAL

A corporate seal is authorized, but shall not be required.

ARTICLE V. FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of October and terminate on the 30th day of September in each year.

ARTICLE VI. INDEMNITY

The corporation shall indemnify each member of the Board, its officers and employees, and each member of the City Council and employee of the city, to the applicable limits established by the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code) or other applicable law, against all liability or expense, including attorneys fees, incurred by reason of any actions or omissions that may arise out of the functions and activities of the corporation.

ARTICLE VII. MISCELLANEOUS

7.01 Notices and Waivers. Whenever, under the provisions of these bylaws, notice is required to be given to any director or officer, unless otherwise provided, the notice

(2) Any forfeiture of office required by the Board must be approved by the City Council, which shall appoint a successor to serve the remainder of the unexpired term.

ARTICLE VIII. PROVISIONS REGARDING BYLAWS

(1) These bylaws shall become effective only upon the occurrence of the following events:

- (a) the approval of these bylaws by the City Council; and
- (b) the adoption of these bylaws by the Board of directors.

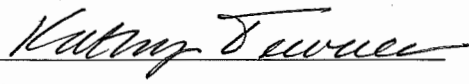
(2) These bylaws may be amended at any time and from time to time either by majority vote of the directors then in office with approval of the City Council or by the City Council itself, at its sole discretion.

(3) These bylaws shall be liberally construed to effectuate their purposes. If any word, phrase, clause, sentence, paragraph, section or other part of these bylaws, or the application thereof to any person or circumstances, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE IX. DISSOLUTION OF CORPORATION

It shall not be the purpose of this corporation to engage in carrying on propaganda or otherwise attempting to influence legislation. Upon the dissolution of the corporation after payment of all obligations of the corporation, all remaining assets of the corporation shall be transferred to the City of Kennedale, Texas.

I hereby certify that the foregoing bylaws are the true and correct bylaws adopted by the Kennedale Economic Development Corporation on the 18th day of December, 2007 and approved by Resolution of the Kennedale City Council on January 10, 2008.


Secretary

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.A.1.

SUBJECT

City Manager

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.D.1.

SUBJECT

Updates from the City Council

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Updates and information from each of the Councilmembers, if any.

RECOMMENDATION

ATTACHMENTS

**STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL**

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.D.2.

SUBJECT

Updates from the Mayor

- *Senior Center Month Proclamation*

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Updates and/or Proclamations from Mayor Linda Rhodes, if any.

RECOMMENDATION

ATTACHMENTS

1.	2021_09.21 Senior Center Month 2021	2021_09.21 Senior Center Month 2021.pdf
----	-------------------------------------	---

PROCLAMATION

Senior Center Month

SEPTEMBER 2021

WHEREAS, older Americans are significant members of our society, investing their wisdom and experience to help enrich and better the lives of younger generations; and

WHEREAS, we are grateful that the Kennedale Senior Center was able to re-open its doors on September 8 after being closed for almost 18 months due to the global COVID-19 pandemic; and

WHEREAS, the Kennedale Senior Center acts as a catalyst for mobilizing the creativity, energy, vitality, and commitment of the older residents of Kennedale, Texas; and

WHEREAS, through a wide array of services, programs, and activities, the Kennedale Senior Center empowers the older citizens in our community to contribute to their own health and well-being and the health and well-being of their fellow citizens of all ages; and

WHEREAS, the Kennedale Senior Center aims to affirm the dignity, self-worth, and independence of older persons; tapping their experiences and knowledge; and enabling their continued contributions to the community;

NOW THEREFORE, I, Linda Rhodes, Mayor of the City of Kennedale, do hereby proclaim the month of September 2021 as:

Senior Center Month

in the City of Kennedale, Texas; and call upon all citizens to recognize the contributions of the Kennedale Senior Center participants, and the efforts of the staff and volunteers who work to change the perception of aging and to create resources for older adults to live with purpose, independence, and dignity.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and caused the Seal of the City of Kennedale, Texas to be affixed this 21st day of September 2021.

MAYOR LINDA RHODES

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.D.3.

SUBJECT

Updates from the Interim City Manager

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Updates and information from Interim City Manager Leslie Galloway, if any.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.D.4.

SUBJECT

Financial Reports for the City and the EDC

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

Any particular highlights of the attached financials for the City and/or the EDC will be provided by Finance Director Lakeita Sutton during the meeting.

RECOMMENDATION

ATTACHMENTS

1.	2021_08 Monthly Financials	2021_08 Monthly Financials.pdf
2.	2021_05 EDC Monthly Financials	2021_05 EDC Monthly Financials.pdf
3.	2021_06 EDC Monthly Financials	2021_06 EDC Monthly Financials.pdf
4.	2021_07 EDC Monthly Financials	2021_07 EDC Monthly Financials.pdf

**Revenues & Expenditures - Budget & Actual Summary
FOR THE MONTH ENDED AUGUST 31, 2021**

GENERAL FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 7,314,655	\$ 7,671,485	\$ 8,183,437	106.7%

GENERAL FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 7,624,096	\$ 8,414,151	\$ 7,706,812	91.6%

STREETS FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 877,615	\$ 877,615	\$ 690,285	78.7%

STREETS FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 1,015,670	\$ 1,063,216	\$ 860,343	80.9%

WATER/SEWER FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 4,447,316	\$ 4,447,316	\$ 4,243,627	95.4%

WATER/SEWER FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 4,504,700	\$ 4,506,554	\$ 3,423,376	76.0%

STORMWATER FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 323,152	\$ 323,152	\$ 243,471	75.3%

STORMWAER FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 561,929	\$ 565,644	\$ 123,979	21.9%

GENERAL FUND
FOR THE MONTH ENDED AUGUST 31, 2021
FY 2020-21 WITH PRIOR YEAR COMPARISON

91.7%

	CURRENT FISCAL YEAR							PRIOR FISCAL YEAR				
	BUDGET		ACTUAL			PROJECTED		BUDGET		FY ACTUAL		
	FY 2020-2021		M-T-D	Y-T-D	Y-T-D	FY 2020-2021		FY 2019-2020		FY 2019-2020		
	Adopted Budget	Amended Budget	Aug-21	Aug-21	% Budget	Aug-21	% Budget	Original Budget	Amended Budget	M-T-D AUG-20	Y-T-D AUG-20	Y-T-D % Budget
REVENUES												
Property Taxes	\$ 4,629,418	\$ 4,808,157	\$ 12,135	\$ 4,948,579	92.0%	\$ 4,243,633	91.7%	\$ 4,210,532	\$ 4,210,532	\$ 3,165	\$ 4,424,974	117.5%
Sales / Beverage Tax	1,438,404	1,580,632	200,814	1,441,101	83.0%	1,318,537	91.7%	1,402,458	1,369,909	147,298	1,311,664	105.2%
Grants / Contributions	65,000	65,000	8,646	192,121	194.5%	59,583	91.7%	85,100	147,445	2,000	126,427	130.3%
Licenses / Permits	191,605	282,485	4,827	664,662	73.0%	175,638	91.7%	175,070	153,360	14,124	206,284	433.4%
Fines / Fees	106,718	63,718	5,822	69,296	140.1%	97,825	91.7%	179,700	105,300	4,336	89,252	65.8%
Charge for Services	205,500	205,500	23,806	272,042	75.0%	188,375	91.7%	181,225	193,225	1,712	154,110	140.8%
Investment Earnings	24,017	12,000	56	1,332	186.7%	22,016	91.7%	24,017	24,017	356	22,402	5.5%
Miscellaneous Income	5,250	5,250	5,435	26,353	419.8%	4,813	91.7%	5,500	5,500	318	22,038	479.1%
Intergovernmental	647,243	647,243	69,460	500,029	76.1%	593,306	91.7%	652,475	652,475	46,443	492,808	76.6%
Surplus / Sales Rentals	1,500	1,500	170	67,922	4842.2%	1,375	91.7%	3,500	3,500	22,205	72,633	1940.6%
Total Revenues	\$ 7,314,655	\$ 7,671,485	\$ 331,172	\$ 8,183,437	106.7%	\$ 6,705,100	91.7%	\$ 6,919,577	\$ 6,865,263	\$ 241,957	\$ 6,922,592	100.8%
EXPENDITURES												
City Manager	\$ 316,473	\$ 321,424	\$ 16,028	\$ 513,790	159.8%	\$ 290,100	91.7%	\$ 323,076	\$ 323,076	\$ 24,080	\$ 294,557	91.2%
Mayor and City Council	140,525	140,525	18,718	94,140	67.0%	\$ 128,815	91.7%	186,444	186,444	-	108,770	58.3%
City Secretary	175,454	183,777	13,248	129,290	70.4%	\$ 160,833	91.7%	179,811	178,540	13,382	130,354	73.0%
Municipal Court	98,215	103,477	5,063	81,867	79.1%	\$ 90,030	91.7%	112,701	111,868	6,656	94,954	84.9%
Human Resources	125,229	135,211	15,824	121,370	89.8%	\$ 114,793	91.7%	132,128	132,129	8,641	102,193	77.3%
Finance	438,148	464,564	31,999	394,378	84.9%	\$ 401,636	91.7%	393,017	389,826	21,394	353,105	90.6%
Police	2,660,845	2,988,696	215,072	2,692,788	90.1%	\$ 2,439,108	91.7%	2,563,035	2,499,599	148,180	2,090,684	83.6%
Police SRO	178,016	208,698	16,706	172,014	82.4%	\$ 163,181	91.7%	156,513	156,513	12,664	155,888	99.6%
Fire	2,208,977	2,492,360	181,170	2,042,188	81.9%	\$ 2,024,896	91.7%	2,386,910	2,203,129	139,134	1,588,636	72.1%
Community Development	387,924	412,959	12,354	456,428	110.5%	\$ 355,597	91.7%	465,735	438,146	32,584	363,677	83.0%
Senior Citizen Center	38,376	88,376	1,503	65,226	73.8%	\$ 35,178	91.7%	63,376	63,376	1,513	39,882	62.9%
Library	275,755	293,925	28,641	239,491	81.5%	\$ 252,775	91.7%	305,042	275,895	17,655	225,983	81.9%
Non-Departmental	580,159	580,159	83,154	703,842	121.3%	\$ 531,812	91.7%	514,734	564,058	3,343	457,243	81.1%
Total Expenditures	\$ 7,624,096	\$ 8,414,151	\$ 639,480	\$ 7,706,812	91.6%	\$ 6,988,755	91.7%	\$ 7,782,522	\$ 7,522,599	\$ 429,226	\$ 6,005,926	79.8%
Total Revenues Over (Under) Exp	\$ (309,441)	\$ (742,666)	\$ (308,308)	\$ 476,625		\$ (283,654)		\$ (862,944)	\$ (657,336)	\$ (187,269)	\$ 916,666	
Other Financing Sources (Uses):												
Non-cash Transactions:												
Capital lease proceeds												
Capital expenditures												
Transfers In (Out):												
Net Change in Fund Balance	\$ (309,441)	\$ (742,666)		\$ 476,625				\$ (862,944)	\$ (657,336)			
Total Unassigned Fund Balance - BOY	940,257	2,453,218		2,453,218				1,480,503	1,597,593			
Ending Fund Balance Sept. 30	\$ 630,816	\$ 1,710,552		\$ 2,929,843				\$ 617,559	\$ 940,257			
Less: Commitments for Specific Use				-								
Less: Assigned for Specific Use				-				-				
Ending Fund Balance - Unassigned	\$ 630,816	\$ 1,710,552		\$ 2,929,843				\$ 617,559	\$ 940,257			
AVERAGE DAILY EXPENDITURES	20,888	23,052		21,115				21,322	20,610			
NUMBER OF DAYS IN RESERVE	30	74		139				29	46			
FUND BALANCE AS A % OF EXPENDITURES	8.3%	20.3%		38.0%				7.94%	12.50%			

STREETS FUND
FOR THE MONTH ENDED AUGUST 31, 2021
FY 2020-21 WITH PRIOR YEAR COMPARISON

91.7%

	CURRENT FISCAL YEAR						PRIOR FISCAL YEAR						
	BUDGET		ACTUAL			PROJECTED		BUDGET		FY ACTUAL			
	FY 2020-2021		M-T-D	Y-T-D	Y-T-D	FY 2020-2021		FY 2019-2020		FY 2019-2020			
	Original Budget	Amended Budget					%		Original Budget	Amended Budget	M-T-D	Y-T-D	Y-T-D
REVENUES			Aug-21	Aug-21	Budget	Aug-21	Budget				AUG-20	AUG-20	% Budget
Frachise Fees Telephone	\$ 36,256	\$ 36,256	\$ 3,825	\$ 13,815	38.1%	\$ 33,235	91.7%		\$ 36,622	\$ 36,622	\$ 4,558	\$ 19,432	53%
Frachise Fees Garbage	68,607	68,607	2,273	62,312	90.8%	62,890	91.7%		69,300	69,300	3,893	56,234	81%
Franchise Fees Gas	64,469	64,469	-	56,148	87.1%	59,097	91.7%		65,120	65,120		58,348	90%
Franchise Fees Electricity	312,427	312,427	-	234,686	75.1%	286,391	91.7%		315,583	315,583		247,224	78%
Franchise Fees Cable	53,906	53,906	8,769	30,237	56.1%	49,414	91.7%		54,450	54,450	8,294	34,850	64%
Franchise Fees Water Sew	311,312	311,312	25,943	285,369	91.7%	285,369	91.7%		267,106	267,106	22,259	244,847	92%
Investment Income	6,930	6,930	2	84	1.2%	6,353	91.7%		7,000	7,000	48	3,046	44%
TexDot Connecting Kennedale													
Misc. Income			-	824							250	1,100	
Admin Charge - Stormwater	19,995	19,995			0.0%	18,329	91.7%		19,995	19,995			0%
Park Pavilion Rental	3,663	3,663	435	2,920	79.7%	3,358	91.7%		3,700	3,700	-	370	10%
Ballfield Rental	50	50	-	50		46	91.7%		50	50			
Sale of Parts/Assets			-	3,840		-							
Transfer In Park Dedication						-							
Transfer In TIF Fund						-							
Transfer In Donation Fund						-							
Total Revenues	\$ 877,615	\$ 877,615	\$ 41,247	\$ 690,285	78.7%	\$ 804,480	91.7%		\$ 838,926	\$ 838,926	\$ 39,302	\$ 665,451	79%
EXPENDITURES													
Street Maintenance	\$ 868,448	\$ 915,994	\$ 85,558	\$ 790,259	86.3%	796,077	91.7%		\$ 850,176	\$ 849,397	\$ 56,053	\$ 659,257	78%
Park Maintenance	122,920	122,920	12,906	45,782	37.2%	112,677	91.7%		122,920	122,920	4,516	63,018	51%
Capital Projects	24,302	24,302	24,302	24,302	100.0%	22,277	91.7%		79,057	79,058			
Total Expenditures	\$ 1,015,670	\$ 1,063,216	\$ 122,766	\$ 860,343	84.7%	\$ 931,031	91.7%		\$ 1,052,153	\$ 1,051,375	\$ 60,569	\$ 722,275	69%
Total Revenues Over (Under) Exp	\$ (138,055)	\$ (185,601)	\$ (81,519)	\$ (170,058)		\$ (126,550)			\$ (213,227)	\$ (212,449)	\$ (21,267)	\$ (56,824)	
Other Funding Sources (Uses):													
Non-Cash Transactions:													
Capital Lease Proceeds	-												
Capital Expenditures	-												
Transfers In (Out):													
Debt Service Payments	-												
Net Change in Fund Balance	\$ (138,055)	\$ (185,601)		\$ (170,058)					\$ (213,227)	\$ (212,449)			
Total Unassigned Fund Balance - BOY	341,246	386,644		386,644					345,652	553,695			
Ending Fund Balance Sept. 30	\$ 203,191	\$ 201,043		\$ 216,586					\$ 132,425	\$ 341,246			
Less: Commitments for Specific Use				-									
Less: Assigned for Specific Use				-									
Ending Fund Balance - Unassigned	\$ 203,191	\$ 201,043		\$ 216,586					\$ 132,425	\$ 341,246			
AVERAGE DAILY EXPENDITURES	2,226	2,362		1,764					2,520	1,946			
NUMBER OF DAYS IN RESERVE													
FUND BALANCE AS A % OF EXPENDITURES	20.0%	18.9%		25.2%					12.6%	32.5%			

WATER & SEWER FUND
FOR THE MONTH ENDED AUGUST 31, 2021
FY 2020-21 WITH PRIOR YEAR COMPARISON

91.7%

	CURRENT FISCAL YEAR						PRIOR FISCAL YEAR				
	BUDGET		ACTUAL			PROJECTED	BUDGET		FY ACTUAL		
	FY 2020-2021		M-T-D	Y-T-D	Y-T-D		FY 2019-2020		FY 2019-2020		
	Original Budget	Amended Budget	Aug-21	Aug-21	% Budget	Aug-21	Original Budget	Amended Budget	M-T-D AUG-20	Y-T-D AUG-20	Y-T-D % Budget
REVENUES											
Water Service	\$ 2,128,290	\$ 2,128,290	\$ 297,848	\$ 2,264,934	106.4%	\$ 1,950,933	\$ 1,941,782	\$ 1,941,782	\$ 316,659	\$ 2,210,914	114%
Sewer Service	1,700,194	1,700,194	139,176	1,508,061	88.7%	1,558,511	1,669,203	1,669,203	142,981	1,535,638	92%
Sewer Surcharge	2,705	2,705				2,480	11,978	11,978	-	1,990	17%
Penalties	13,231	13,231				12,128	50,873	14,450	-	9,729	67%
Administrative Fees	3,762	3,762		559	14.9%	3,449	15,150	4,500	112	2,888	64%
Water Tap Fees	2,856	2,856	-	4,000	140.1%	2,618	5,050	5,050	-	2,100	42%
Meter Purchase / Install	3,645	3,645	-	40,677	1116.0%	3,341	11,933	11,933	-	2,680	22%
Sewer Tap Fees	1,768	1,768		(425)	-24.0%	1,621	5,050	5,050	-	1,300	26%
Engineer Review Fees	6,120	6,120		23,757	388.2%	5,610	6,924	6,924	-	4,500	65%
Sanitation Billing Fees	15,507	15,507	1,515	14,889	96.0%	14,215	16,798	16,798	-	11,403	68%
Other Fees Water / Sewer	1,984	1,984	-	75	3.8%	1,819	10,423	10,423	-	1,534	15%
Sales Tax	139	139	12	129	92.8%	127	101	101	11	124	123%
Arlington Operator Cost	354,500	354,500	-	213,946	60.4%	324,958		300,874	-	287,910	96%
Investment Income	19,179	19,179	52	963	5.0%	17,581	37,814	37,814	248	14,618	39%
Miscellaneous Income	4,911	4,911		165	3.4%	4,502	31,718	31,718	93	472	1%
Cash Over/Under						-	-				
Sale of Parts/Assets	1,000	1,000				917	1,010	37,750	-	40,237	
Transfer In - Water Impact Fund			-	-		-	152,524	152,525	12,710	139,815	92%
Transfer In - Sewer Impact Fund						-	60,000	35,000	-	35,000	
Transfer In - Roadway Impact Fund	187,525	187,525	15,627	171,897	91.7%	171,898					
Total Revenues	\$ 4,447,316	\$ 4,447,316	\$ 454,230	\$ 4,243,627	95.4%	\$ 4,076,706	\$ 4,028,331	\$ 4,293,873	\$ 472,814	\$ 4,302,852	100%
EXPENDITURES											
Utility Billing	\$ 1,460,295	\$ 1,460,295	\$ 135,567	\$ 1,089,331	74.6%	\$ 1,338,604	\$ 1,518,390	\$ 1,719,049	\$ 105,768	\$ 1,365,026	79%
Operations	1,375,369	1,377,223	109,241	1,291,119	93.7%	1,260,755	1,385,154	1,522,435	97,424	1,290,989	85%
Debt Service	358,559	358,559	27,811	358,572	100.0%	328,679	354,505	354,505	33,798	354,504	100%
Capital Projects	600,000	600,000	-	32,605	5.4%	550,000	415,000	415,000		105,513	
Non-Departmental	710,477	710,477	57,943	651,749	91.7%	651,271	677,889	677,889	55,016	615,557	91%
Total Expenditures	\$ 4,504,700	\$ 4,506,554	\$ 330,562	\$ 3,423,376	76.0%	4,129,308	\$ 4,350,938	\$ 4,688,878	\$ 292,006	\$ 3,731,589	80%
Total Revenues Over (Under) Exp	\$ (57,384)	\$ (59,238)	\$ 123,668	\$ 820,251		\$ (52,602)	\$ (322,607)	\$ (395,005)	\$ 180,808	\$ 571,263	
Other Funding Sources (Uses):											
Debt Service - Bond Payments											
Non-Cash Transactions:											
Capital Lease Proceeds											
Capital expenditures											
Net Change in Fund Balance	\$ (57,384)	\$ (59,238)		\$ 820,251			\$ (322,607)	\$ (395,005)			
Total Unrestricted Fund Balance - BOY	2,076,297	2,946,002		2,946,002			1,682,545	2,471,302			
Total Fund Balance - EOY	\$ 2,018,913	\$ 2,886,764		\$ 3,766,253		\$ -	\$ 1,359,938	\$ 2,076,297			
Less: Commitments for Specific Use				-		-					
Less: Assigned for Specific Use				-		-	-				
Ending Fund Balance - Unrestricted	\$ 2,018,913	\$ 2,886,764		\$ 3,766,253		\$ -	\$ 1,359,938	\$ 2,076,297			
AVERAGE DAILY EXPENDITURES	157	162		(2,247)			884	1,082			
NUMBER OF DAYS IN RESERVE	12,842	17,787		(1,676)			1,539	1,919			
FUND BALANCE AS A % OF EXPENDITURES	44.8%	64.1%		110.0%			31%	44%			

STORMWATER FUND
FOR THE MONTH ENDED AUGUST 31, 2021
FY 2020-21 WITH PRIOR YEAR COMPARISON

91.7%

	CURRENT FISCAL YEAR					
	BUDGET		ACTUAL			FY PROJECTED
	FY 2020-2021		M-T-D	Y-T-D	Y-T-D	FY 2020-2021
	Original Budget	Amended Budget	Aug-21	Aug-21	% Budget	Aug-21 % Budget
REVENUES						
Penalties	\$ 1,200	\$ 1,200				\$ 1,100 91.7%
Grant Revenue						
Drainage Fees	320,952	320,952	22,047	243,328	75.8%	294,206 91.7%
Investment Income	1,000	1,000	7	143	14.3%	917 91.7%
Miscellaneous Income						
Total Revenues	\$ 323,152	\$ 323,152	\$ 22,054	\$ 243,471	75.3%	\$ 296,223 91.7%
EXPENDITURES						
Stormwater Utility	561,929	\$ 565,644	\$ 9,012	\$ 123,979	21.9%	\$ 515,102 91.7%
Total Expenditures	\$ 561,929	\$ 565,644	\$ 9,012	\$ 123,979	22.1%	\$ 515,102 91.7%
Total Revenues Over (Under) Exp	\$ (238,777)	\$ (242,492)	\$ 13,042	\$ 119,492		\$ (218,879)
Other Financing Sources (Uses):						
Capital Grant Contributions	-	-	-	-		
Net Change in Fund Balance	\$ (238,777)	\$ (242,492)		\$ 119,492		
Total Unrestricted Fund Balance - BOY	(151,838)	287,257		287,257		
Total Fund Balance - EOY	\$ (390,615)	\$ 44,765		\$ 406,749		
Less: Commitments for Specific Use	-	-		-		-
Ending Fund Balance - Unrestricted	\$ (390,615)	\$ 44,765		\$ 406,749		

PRIOR FISCAL YEAR				
BUDGET		FY ACTUAL		
FY 2019-2020		FY 2019-2020		
Original Budget	Final Budget	M-T-D AUG-20	Y-T-D AUG-20	Y-T-D % Budget
\$ 3,200	\$ 3,200	\$ -	\$ 402	12.6%
-			-	
297,200	265,000	22,056	232,428	87.7%
500	500	44	706	141.2%
-				
\$ 300,900	\$ 268,700	\$ 22,100	\$ 233,536	87%
585,316	\$ 619,316	\$ 14,582	\$ 98,830	16.0%
\$ 585,316	\$ 619,316	\$ 14,582	\$ 98,830	16%
\$ (284,416)	\$ (350,616)	\$ 7,518	\$ 134,706	
-	-	-	-	
\$ (284,416)	\$ (350,616)			
	\$ 198,778			
	\$ (151,838)			
-	-			
\$ -	\$ (151,838)			

**OTHER FUNDS: MONTHLY FINANCIALS
FOR THE MONTH ENDED AUGUST 31, 2021**

FUND FUND NAME		BUDGET					Y-T-D ACTUAL						
		Revenues	Expenditures	Change in Fund Balances	Fund Balance Beginning of Year	Fund Balance End of Year	Revenues	% Budget	Expenditures	% Budget	Change in Fund Balances	Fund Balance Beginning of Year	Y-T-D Fund Balance Projection
DEBT SERVICE FUND													
2	Debt Service Fund	\$ 1,644,815	\$ 1,538,873	\$ 105,942	\$ 573,006	\$ 678,948	\$ 1,728,035	105%	\$ 1,538,446	100%	\$ 189,589	\$ 573,006	\$ 762,595
OTHER GENERAL FUNDS													
5	Capital Replacement Fund	\$ 98,402	\$ 180,414	\$ (82,012)	\$ 150,817	\$ 68,805	\$ 95,931	97%	\$ 168,645	93%	\$ (72,714)	\$ 150,817	\$ 78,103
12	Court Security Fund	2,300	-	2,300	23,864	26,164	1,845	80%	-	0%	1,845	23,864	25,709
16	Court Technology Fund	1,320	875	445	15,886	16,331	1,675	127%	-	0%	1,675	15,886	17,561
18	Juvenile Case Manager Fund	2,150	-	2,150	(10,367)	(8,217)	602	28%	-		602	(10,367)	(9,765)
21	TIF 1 (New Hope Rd) Fund	162,734	-	162,734	(393,825)	(231,091)	188,393	116%	-		188,393	(393,825)	(205,432)
34	Lease Fund	1,740	1,650	90	2,012	2,102	70	4%	1,700	0%	(1,630)	2,012	382
83	Tree Reforestation Fund	500	-	500	70,923	71,423	30	6%	-	93%	30	70,923	70,953
		\$ 269,146	\$ 182,939	\$ 86,207	\$ (140,690)	\$ (54,483)	\$ 288,546		\$ 170,345		\$ 118,201	\$ (140,690)	\$ (22,489)
CAPITAL FUNDS													
4	Capital Projects Fund	\$ 83,250	\$ 103,157	\$ (19,907)	\$ (58,700)	\$ (78,607)	\$ 120,612	145%	\$ -	0%	\$ 120,612	\$ (58,700)	\$ 61,912
13	Capital Bond Fund	6,008,000	2,991,176	3,016,824	1,187,265	4,204,089	998	0%	41,107	1%	(40,109)	1,187,265	\$ 1,147,156
14	Park Dedication Fund	800	170	630	54,885	55,515	539,974	67497%	280	165%	539,694	54,885	\$ 594,579
32	Library Building Fund	160	-	160	(2,489)	(2,329)	277	173%	-		277	(2,489)	\$ (2,212)
45	Roadway Impact Fee Fund	15,000	197,525	(182,525)	489,910	307,385	347,446	2316%	232,158	118%	115,288	489,910	\$ 605,198
61	Water Impact Fee Fund	54,238	-	54,238	(165,667)	(111,429)	170,455	314%	-		170,455	(165,667)	4,788
62	Sewer Impact Fee Fund	18,505	-	18,505	20,306	38,811	113,903	616%	-		113,903	20,306	134,209
		\$ 6,179,953	\$ 3,292,028	\$ 2,887,925	\$ 1,525,510	\$ 4,413,435	\$ 1,293,665		\$ 273,545		\$ 80,503	\$ 1,128,565	\$ 1,209,068
EDC 4B FUNDS													
15	EDC 4B Fund	\$ 723,940	\$ 607,014	\$ 116,926	\$ 770,219	\$ 887,145	\$ 734,014	101%	\$ 537,661	89%	\$ 196,353	\$ 770,219	\$ 966,572
		\$ 723,940	\$ 607,014	\$ 116,926	\$ 770,219	\$ 887,145	\$ 734,014		\$ 537,661		\$ 196,353	\$ 770,219	\$ 966,572
SPECIAL REVENUE FUNDS													
30	Hotel/Motel Tax Fund	\$ 5,050	\$ -	\$ -	\$ 5,927	\$ 5,927	\$ 10,676		\$ -		\$ 10,676	\$ 5,927	\$ 16,603
35	Disaster Recovery Fund	-	-	-	-	-	70		75,776		\$ -	\$ -	\$ -
		5,050	-	-	5,927	5,927	10,746		75,776		10,676		\$ 16,603

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
MAY 2021**

MONTHLY INFORMATION

1. \$69,300 in Sales Tax Revenue

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis.



FINANCE DIRECTOR LAKEITA SUTTON

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

CASH POSITION

CATEGORY	DESCRIPTION	YTD
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 801,728
BEGINNING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,716
		927,444
BEGINNING AVAILABLE CASH - TOTAL		801,728
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 70,388
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 867,374
ENDING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,717
ENDING CASH BALANCE - TOTAL		\$ 993,091
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required Reserves)	\$ 125,717
TOTAL UNAVAILABLE CASH		\$ 125,717
AVAILABLE CASH		\$ 867,374

**Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance*

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED MAY 31, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	69,300	296,748	70.6%
INVESTMENT INCOME FUND 15	2,000	7	308	15.4%
INVESTMENT INCOME FUND 95	500	1	49	
MISCELLANEOUS INCOME	30,000	2,972	23,352	77.8%
INSURANCE REIMBURSEMENT	-	-	-	
LAND PROCEEDS	-	-	-	
RENTAL FEES - SHOPPING CTR	236,792	19,543	164,695	69.6%
RENTAL INSURANCE	-	-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 724,440	\$ 91,823	\$ 485,152	67.0%

EXPENDITURES				
ADMINISTRATION	218,387	11,976	115,824	53.0%
DEBT SERVICE	306,132	4,656	276,456	90.3%
TOWN SHOPPING CENTER	82,495	4,803	44,690	54.2%
TOWN CENTER REDEVELOPMENT	-	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 21,435	\$ 436,970	72.0%

Total Revenues Over (Under) Exp	\$ 117,426	\$ 70,388	\$ 48,182	
--	-------------------	------------------	------------------	--

Other Financing Sources (Uses):				
--	--	--	--	--

Operating Transfer to/from General Fund	-	-	-	
---	---	---	---	--

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 117,426			
Fund Balance Oct 1	898,805			

Ending Fund Balance	\$ 1,016,231
----------------------------	---------------------

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	611
Fund Balance as a % of Expenditures	167%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH May-20	Y-T-D May-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	49,804	276,148 69.0%
	4,000	122	3,435 85.9%
	2,000	27	988
	30,120	86	13,069 43.4%
			-
	150,368		
	180,000	11,980	142,432 79.1%
	-	-	-
		-	-
		-	-
		-	-
	\$ 801,629	\$ 62,019	\$ 436,072 54.4%

	169,377	10,378	98,208 58.0%
	323,570	4,656	273,455 84.5%
	79,651	4,161	50,578 63.5%
	-	-	-
	\$ 572,598	\$ 19,195	\$ 422,241 74%

	\$ 229,031	\$ 42,824	\$ 13,831
--	-------------------	------------------	------------------

--	--	--	--

	-	-	-
--	---	---	---

	-	-	-
--	---	---	---

	\$ 229,031		
	\$ 669,774		

\$ 898,805

\$ 1,569
573
157%

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED MAY 31, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	69,300	296,748	70.6%
INVESTMENT INCOME	2,000	7	308	15.4%
MISCELLANEOUS INCOME	30,000	2,972	23,352	77.8%
INSURANCE REIMBURSEMENT		-	-	
LAND PROCEEDS	-	-	-	
RENTAL FEES - SHOPPING CTR	236,792	19,543	164,695	69.6%
RENTAL INSURANCE		-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 723,940	\$ 91,822	\$ 485,103	67.0%

EXPENDITURES				
ADMINISTRATION	218,387	11,976	115,824	53.0%
DEBT SERVICE	306,132	4,656	276,456	90.3%
TOWN SHOPPING CENTER	82,495	4,803	44,690	54.2%
TOWN CENTER REDEVELOPMENT	\$ -	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 21,435	\$ 436,970	72.0%

Total Revenues Over (Under) Exp	\$ 116,926	\$ 70,387	\$ 48,133	
--	-------------------	------------------	------------------	--

Other Financing Sources (Uses):				
Operating Transfer to / from General Fund	-	-	-	

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 116,926			
Fund Balance Oct 1	770,219			
Ending Fund Balance	\$ 887,145			

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	533
Fund Balance as a % of Expenditures	146%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH May-20	Y-T-D May-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	\$ 49,804	276,148 69.0%
	4,000	122	3,435 85.9%
	30,120	86	13,069 43.4%
		-	-
	150,368	-	150,368
	180,000	11,980	142,432 79.1%
	-	-	-
		-	-
		-	-
\$ 799,629	\$ 61,992	\$ 585,452	73.2%

	169,377	10,378	98,208 58.0%
	323,570	4,656	273,455 84.5%
	79,651	4,161	50,578 63.5%
	-	-	-
\$ 572,598	\$ 19,195	\$ 422,241	73.7%

\$ 227,031	\$ 42,797	\$ 163,211	
-------------------	------------------	-------------------	--

--	--	--	--

-	-	-	
---	---	---	--

-	-	-	
---	---	---	--

\$ 227,031			
\$ 543,188			

\$ 770,219

\$ 1,569
491
135%

EDC ADMIN

EXPENDITURES	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21		Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
PRINTED SUPPLIES	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	-	0.0%
POSTAGE	50	-	-	0.0%
SUPPLIES TOTAL	2,100	-	-	0.0%
ADVERTISING	1,200	-	-	
ASSOCIATION DUES/PUBLICATIONS	3,500	-	1,170	33.4%
TRANING/SEMINARS	250	-	-	0.0%
LEGAL SERVICES	15,000	1,233	10,328	68.9%
AUDIT SERVICES	4,250	-	4,250	100.0%
SPECIAL SERVICES	42,838	1,050	5,414	12.6%
FILING FEES	-			
ENGINEERING SERVICES				
TRAVEL	100	-	-	
ENGINEERING SERVICES	-	-	-	
ADMIN CHARGE-GENERAL FUND	116,318	9,693	77,545	66.7%
FUNCTIONAL GRANT	32,831	-	17,117	52.1%
LAND	-			
SUNDRY TOTAL	216,287	11,976	115,824	53.6%
TOTAL EDC ADMIN EXPENDITURES	\$ 218,387	\$ 11,976	\$ 115,824	53.04%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-2020		
Original Budget	MONTH May-20	Y-T-D May-20	Y-T-D % Budget
\$ 2,000	\$ -	-	0.0%
50	-	-	0.0%
50	-	-	0.0%
2,100	-		0.0%
1,200	204	204	
3,395	-	1,125	33.1%
250	-	-	0.0%
14,925	481	4,331	29.0%
4,250	-	4,250	100.0%
975	-	222	22.8%
	-	-	
100			0.0%
-			
116,318	9,693	77,545	66.7%
25,864	-	10,531	40.7%
167,277	10,378	98,208	58.7%
\$ 169,377	\$ 10,378	\$ 98,208	58.0%

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
EXPENDITURES				
2007 \$1.2M TAX BOND INTEREST	\$ 42,048	\$ -	\$ 42,047	100.0%
2007 \$1.2M TAX BOND PRINCIPAL	70,000	-	70,000	100.0%
2011 \$1.7M TX LEVERAGE INT	9,196	751	6,299	68.5%
2011 \$17.M TX LEVERAGE PRIN	46,680	3,905	30,951	66.3%
2020 \$1.26M GO REFUNDING PRIN	115,000	-	115,000	100.0%
2020 \$1.26M GO REFUNDING INT	23,208	-	12,159	52.4%
TRANSFER OUT-DEBT SERV FUND	-	-	-	
TOTAL EDC DEBT EXPENDITURES	\$ 306,132	\$ 4,656	\$ 276,456	90.3%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH May-20	Y-T-D May-20	Y-T-D % Budget
\$ 46,566		\$ 46,496	99.8%
65,000		65,000	100.0%
18,122	875	10,524	58.1%
41,982	3,781	28,685	68.3%
151,900	-	122,750	80.8%
\$ 323,570	\$ 4,656	\$ 273,455	84.5%

EDC TOWNCENTER SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
EXPENDITURES				
BUILDING MAINTENANCE	\$ 54,195	\$ 3,599	\$ 24,911	46.0%
ELECTRIC SERVICES	5,700	422	3,173	55.7%
INSURANCE - PROPERTY	13,000	-	9,979	76.8%
SPECIAL SERVICES	9,600	782	6,627	69.0%
TOTAL EDC TOWNCENTER EXPENDITURES	\$ 82,495	\$ 4,803	\$ 44,690	54.2%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH May-20	Y-T-D May-20	Y-T-D % Budget
\$ 54,951	\$ 3,606	\$ 34,094	62.0%
5,700	55	2,980	52.3%
13,000	-	9,976	76.7%
6,000	500	3,528	58.8%
\$ 79,651	\$ 4,161	\$ 50,578	63.5%

EDC TOWNCENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
EXPENDITURES				
ENGINEERING SERVICES	\$ -	\$ -	\$ -	
CONSTRUCTION	-	-	-	
TOTAL EDC TOWNCENTER REDEVELOPMENT EXPENDITURES	\$ -	\$ -	\$ -	

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH May-20	Y-T-D May-20	Y-T-D % Budget
		\$ -	
	-	-	
\$ -	\$ -	\$ -	

REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED MAY 31, 2021

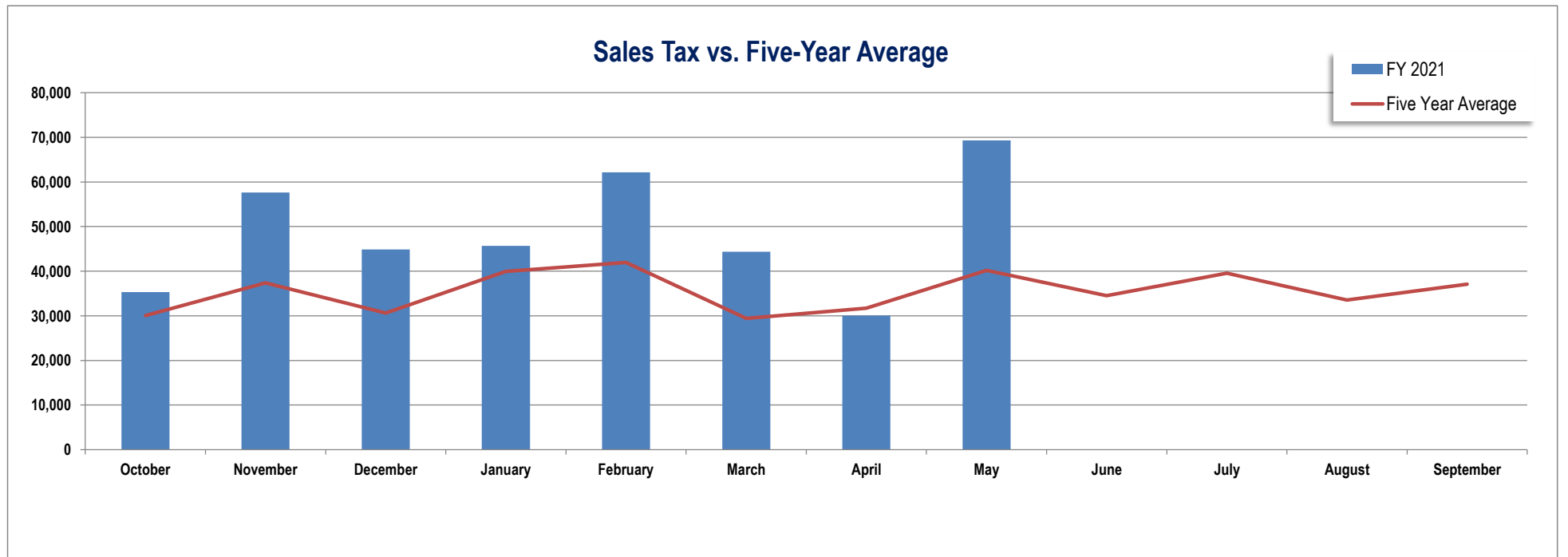
EDC BOND RESERVE FUND

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	May-21	May-21	% Budget
REVENUES				
INVESTMENT INCOME	500	1	\$ 49	
TOTAL REVENUES	\$ 500	\$ 1	\$ 49	
EXPENDITURES				
ADMINISTRATION	\$ -	-	-	
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ 500	\$ 1	\$ 49	
Net Change in Fund Balance	\$ 500			\$ -
Fund Balance Oct 1	128,586			
Ending Fund Balance	\$ 129,086			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-2020	FY 2019-2020		
Original Budget	MONTH May-20	Y-T-D May-20	Y-T-D % Budget
2,000	27	\$ 988	
\$ 2,000	\$ 27	\$ 988	
	-	-	
\$ -	\$ -	\$ -	
\$ 2,000	\$ 27	\$ 988	
\$ 2,000			
\$ 126,586			
\$ 128,586			

EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2021	35,291	57,626	44,861	45,645	62,176	44,334	30,071	69,300					\$ 389,304
FY2020	45,962	39,056	45,450	36,037	64,105	42,654	37,725	49,804	44,467	40,078	45,748	49,172	\$ 540,258
FY2019	31,048	38,679	39,362	88,360	45,433	36,033	34,603	46,432	38,783	43,510	36,757	47,143	\$ 526,144
FY2018	34,607	38,169	28,985	31,808	54,501	31,672	41,253	43,121	36,295	41,089	39,590	29,697	\$ 450,787
FY2017	29,583	38,719	27,285	29,652	35,265	26,215	29,043	33,374	26,747	33,648	16,530	28,850	\$ 354,908
FY2016	31,046	39,712	32,662	25,293	38,669	29,196	26,505	38,181	27,906	28,195	29,231	30,459	\$ 377,055
FY2015	23,985	31,479	27,515	24,594	35,857	24,104	27,064	39,783	42,821	55,252	48,766	59,232	\$ 440,453
FY2014	21,990	29,867	31,661	22,458	32,594	23,228	26,412	31,319	25,832	23,976	28,866	22,659	\$ 320,861
FY2013	33,617	31,297	23,446	20,135	30,003	20,791	20,318	32,020	21,136	22,435	27,973	26,025	\$ 309,197



KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
JUNE 2021

MONTHLY INFORMATION

1. \$49,500 in Sales Tax Revenue

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis.



FINANCE DIRECTOR LAKEITA SUTTON

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

CASH POSITION

CATEGORY	DESCRIPTION	YTD
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 867,374
BEGINNING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,717
		993,091
BEGINNING AVAILABLE CASH - TOTAL		867,374
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 43,463
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 920,378
ENDING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,718
ENDING CASH BALANCE - TOTAL		\$ 1,046,096
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required Reserves)	\$ 125,718
TOTAL UNAVAILABLE CASH		\$ 125,718
AVAILABLE CASH		\$ 920,378

**Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance*

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JUNE 30, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	49,500	346,248	82.4%
INVESTMENT INCOME FUND 15	2,000	9	316	15.8%
INVESTMENT INCOME FUND 95	500	-	49	
MISCELLANEOUS INCOME	30,000	2,954	26,305	87.7%
INSURANCE REIMBURSEMENT	-	-	-	
LAND PROCEEDS	-	-	-	
RENTAL FEES - SHOPPING CTR	236,792	21,801	187,495	79.2%
RENTAL INSURANCE	-	-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 724,440	\$ 74,264	\$ 560,413	77.4%

EXPENDITURES				
ADMINISTRATION	218,387	14,802	130,626	59.8%
DEBT SERVICE	306,132	4,656	281,112	91.8%
TOWN SHOPPING CENTER	82,495	11,343	56,035	67.9%
TOWN CENTER REDEVELOPMENT	-	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 30,801	\$ 467,773	77.1%

Total Revenues Over (Under) Exp	\$ 117,426	\$ 43,463	\$ 92,640	
--	-------------------	------------------	------------------	--

Other Financing Sources (Uses):				
--	--	--	--	--

Operating Transfer to/from General Fund	-	-	-	
---	---	---	---	--

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 117,426			
Fund Balance Oct 1	898,805			

Ending Fund Balance	\$ 1,016,231
----------------------------	---------------------

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	611
Fund Balance as a % of Expenditures	167%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH Jun-20	Y-T-D Jun-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	44,466	320,614 80.1%
	4,000	98	3,533 88.3%
	2,000	-	988
	30,120	778	13,847 46.0%
			-
	150,368		
	180,000	20,244	162,676 90.4%
	-	-	-
		-	-
		-	-
		-	-
	\$ 801,629	\$ 65,586	\$ 501,658 62.6%

	169,377	25,115	123,323 72.8%
	323,570	4,656	278,111 86.0%
	79,651	3,917	54,994 69.0%
	-	-	-
	\$ 572,598	\$ 33,688	\$ 456,428 80%

	\$ 229,031	\$ 31,898	\$ 45,230
--	-------------------	------------------	------------------

--	--	--	--

	-	-	-
--	---	---	---

	-	-	-
--	---	---	---

	\$ 229,031		
	\$ 669,774		

	\$ 898,805
--	-------------------

	\$ 1,569
	573
	157%

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JUNE 30, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	49,500	346,248	82.4%
INVESTMENT INCOME	2,000	9	316	15.8%
MISCELLANEOUS INCOME	30,000	2,954	26,305	87.7%
INSURANCE REIMBURSEMENT		-	-	
LAND PROCEEDS	-	-	-	
RENTAL FEES - SHOPPING CTR	236,792	21,801	187,495	79.2%
RENTAL INSURANCE		-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 723,940	\$ 74,264	\$ 560,364	77.4%

EXPENDITURES				
ADMINISTRATION	218,387	14,802	130,626	59.8%
DEBT SERVICE	306,132	4,656	281,112	91.8%
TOWN SHOPPING CENTER	82,495	11,343	56,035	67.9%
TOWN CENTER REDEVELOPMENT	\$ -	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 30,801	\$ 467,773	77.1%

Total Revenues Over (Under) Exp	\$ 116,926	\$ 43,463	\$ 92,591	
--	-------------------	------------------	------------------	--

Other Financing Sources (Uses):				
Operating Transfer to / from General Fund	-	-	-	

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 116,926			
Fund Balance Oct 1	770,219			
Ending Fund Balance	\$ 887,145			

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	533
Fund Balance as a % of Expenditures	146%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH Jun-20	Y-T-D Jun-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	\$ 44,466	320,614 80.1%
	4,000	98	3,533 88.3%
	30,120	778	13,847 46.0%
		-	-
	150,368	-	150,368
	180,000	20,244	162,676 90.4%
	-	-	-
		-	-
		-	-
TOTAL REVENUES	\$ 799,629	\$ 65,586	\$ 651,038 81.4%

	169,377	25,115	123,323 72.8%
	323,570	4,656	278,111 86.0%
	79,651	3,917	54,994 69.0%
	-	-	-
TOTAL EXPENDITURES	\$ 572,598	\$ 33,688	\$ 456,428 79.7%

Total Revenues Over (Under) Exp	\$ 227,031	\$ 31,898	\$ 194,610
--	-------------------	------------------	-------------------

Other Financing Sources (Uses):			
--	--	--	--

Operating Transfer to / from General Fund	-	-	-
---	---	---	---

Total Other Financing Sources (Uses):	-	-	-
--	----------	----------	----------

Net Change in Fund Balance	\$ 227,031		
Fund Balance Oct 1	\$ 543,188		

Ending Fund Balance	\$ 770,219
----------------------------	-------------------

AVERAGE DAILY EXPENDITURES	\$ 1,569
Number of Days In Reserve	491
Fund Balance as a % of Expenditures	135%

EDC ADMIN

EXPENDITURES	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21		Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
PRINTED SUPPLIES	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	-	0.0%
POSTAGE	50	-	-	0.0%
SUPPLIES TOTAL	2,100	-	-	0.0%
ADVERTISING	1,200	-	-	
ASSOCIATION DUES/PUBLICATIONS	3,500	-	1,170	33.4%
TRANING/SEMINARS	250	-	-	0.0%
LEGAL SERVICES	15,000	5,109	15,437	102.9%
AUDIT SERVICES	4,250	-	4,250	100.0%
SPECIAL SERVICES	42,838	-	5,414	12.6%
FILING FEES	-			
ENGINEERING SERVICES				
TRAVEL	100	-	-	
ENGINEERING SERVICES	-	-	-	
ADMIN CHARGE-GENERAL FUND	116,318	9,693	87,238	75.0%
FUNCTIONAL GRANT	32,831	-	17,117	52.1%
LAND	-			
SUNDRY TOTAL	216,287	14,802	130,626	60.4%
TOTAL EDC ADMIN EXPENDITURES	\$ 218,387	\$ 14,802	\$ 130,626	59.81%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-2020		
Original Budget	MONTH Jun-20	Y-T-D Jun-20	Y-T-D % Budget
\$ 2,000	\$ 2,118	2,118	105.9%
50	-	-	0.0%
50	-	-	0.0%
2,100	2,118	2,118	100.9%
1,200	233	438	
3,395	-	1,125	33.1%
250	-	-	0.0%
14,925	-	4,331	29.0%
4,250	-	4,250	100.0%
975	1,715	1,936	198.6%
	-	-	
100			0.0%
-			
116,318	9,693	87,238	75.0%
25,864	11,356	21,887	84.6%
167,277	22,997	121,205	72.5%
\$ 169,377	\$ 25,115	\$ 123,323	72.8%

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
2007 \$1.2M TAX BOND INTEREST	\$ 42,048	\$ -	\$ 42,047	100.0%
2007 \$1.2M TAX BOND PRINCIPAL	70,000	-	70,000	100.0%
2011 \$1.7M TX LEVERAGE INT	9,196	740	7,039	76.5%
2011 \$17.M TX LEVERAGE PRIN	46,680	3,916	34,867	74.7%
2020 \$1.26M GO REFUNDING PRIN	115,000	-	115,000	100.0%
2020 \$1.26M GO REFUNDING INT	23,208	-	12,159	52.4%
TRANSFER OUT-DEBT SERV FUND	-	-	-	
TOTAL EDC DEBT EXPENDITURES	\$ 306,132	\$ 4,656	\$ 281,112	91.8%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jun-20	Y-T-D Jun-20	Y-T-D % Budget
\$ 46,566		\$ 46,496	99.8%
65,000		65,000	100.0%
18,122	865	11,389	62.8%
41,982	3,791	32,476	77.4%
151,900	-	122,750	80.8%
\$ 323,570	\$ 4,656	\$ 278,111	86.0%

EDC TOWNCENTER SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
BUILDING MAINTENANCE	\$ 54,195	\$ 1,864	\$ 26,775	49.4%
ELECTRIC SERVICES	5,700	438	3,612	63.4%
INSURANCE - PROPERTY	13,000	-	9,979	76.8%
SPECIAL SERVICES	9,600	9,041	15,669	163.2%
TOTAL EDC TOWNCENTER EXPENDITURES	\$ 82,495	\$ 11,343	\$ 56,035	67.9%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jun-20	Y-T-D Jun-20	Y-T-D % Budget
\$ 54,951	\$ 2,444	\$ 36,538	66.5%
5,700	673	3,653	64.1%
13,000	-	9,976	76.7%
6,000	800	4,827	80.5%
\$ 79,651	\$ 3,917	\$ 54,994	69.0%

EDC TOWNCENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
ENGINEERING SERVICES	\$ -	\$ -	\$ -	
CONSTRUCTION	-	-	-	
TOTAL EDC TOWNCENTER REDEVELOPMENT EXPENDITURES	\$ -	\$ -	\$ -	

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jun-20	Y-T-D Jun-20	Y-T-D % Budget
		\$ -	
	-	-	
\$ -	\$ -	\$ -	

REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JUNE 30, 2021

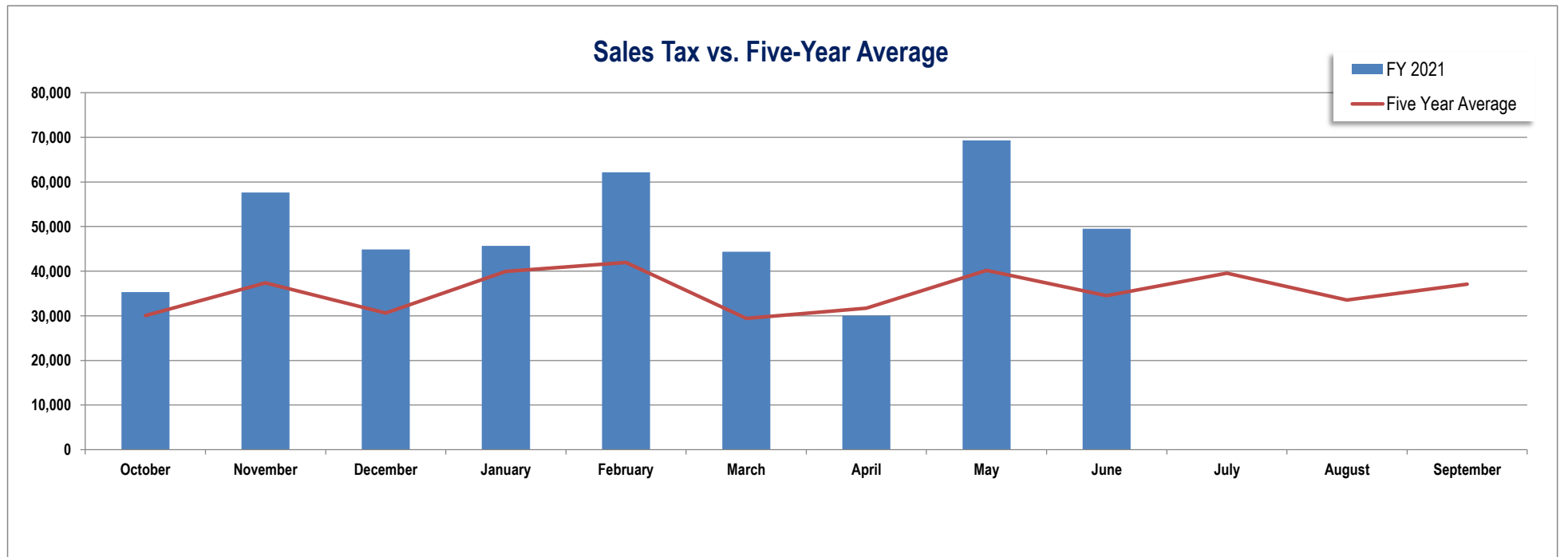
EDC BOND RESERVE FUND

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jun-21	Jun-21	% Budget
REVENUES				
INVESTMENT INCOME	500	-	\$ 49	
TOTAL REVENUES	\$ 500	\$ -	\$ 49	
EXPENDITURES				
ADMINISTRATION	\$ -	-	-	
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ 500	\$ -	\$ 49	
Net Change in Fund Balance	\$ 500			\$ -
Fund Balance Oct 1	128,586			
Ending Fund Balance	\$ 129,086			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-2020	FY 2019-2020		
Original Budget	MONTH Jun-20	Y-T-D Jun-20	Y-T-D % Budget
2,000	-	\$ 988	
\$ 2,000	\$ -	\$ 988	
	-	-	
\$ -	\$ -	\$ -	
\$ 2,000	\$ -	\$ 988	
\$ 2,000			
\$ 126,586			
\$ 128,586			

EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2021	35,291	57,626	44,861	45,645	62,176	44,334	30,071	69,300	49,500				\$ 438,804
FY2020	45,962	39,056	45,450	36,037	64,105	42,654	37,725	49,804	44,467	40,078	45,748	49,172	\$ 540,258
FY2019	31,048	38,679	39,362	88,360	45,433	36,033	34,603	46,432	38,783	43,510	36,757	47,143	\$ 526,144
FY2018	34,607	38,169	28,985	31,808	54,501	31,672	41,253	43,121	36,295	41,089	39,590	29,697	\$ 450,787
FY2017	29,583	38,719	27,285	29,652	35,265	26,215	29,043	33,374	26,747	33,648	16,530	28,850	\$ 354,908
FY2016	31,046	39,712	32,662	25,293	38,669	29,196	26,505	38,181	27,906	28,195	29,231	30,459	\$ 377,055
FY2015	23,985	31,479	27,515	24,594	35,857	24,104	27,064	39,783	42,821	55,252	48,766	59,232	\$ 440,453
FY2014	21,990	29,867	31,661	22,458	32,594	23,228	26,412	31,319	25,832	23,976	28,866	22,659	\$ 320,861
FY2013	33,617	31,297	23,446	20,135	30,003	20,791	20,318	32,020	21,136	22,435	27,973	26,025	\$ 309,197



KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
JULY 2021

MONTHLY INFORMATION

1. \$39,936 in Sales Tax Revenue

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis.



FINANCE DIRECTOR LAKEITA SUTTON

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

CASH POSITION

CATEGORY	DESCRIPTION	YTD
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 920,378
BEGINNING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,718
		1,046,096
BEGINNING AVAILABLE CASH - TOTAL		920,378
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 47,991
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 971,819
ENDING CASH BALANCE - FUND 95	(Required Reserves)	\$ 125,719
ENDING CASH BALANCE - TOTAL		\$ 1,097,538
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required Reserves)	\$ 125,719
TOTAL UNAVAILABLE CASH		\$ 125,719
AVAILABLE CASH		\$ 971,819

**Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance*

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	39,936	386,185	91.9%
INVESTMENT INCOME FUND 15	2,000	14	16	0.8%
INVESTMENT INCOME FUND 95	500	-	49	
MISCELLANEOUS INCOME	30,000	2,947	29,252	97.5%
INSURANCE REIMBURSEMENT	-	-	-	
LAND PROCEEDS		18,725	18,725	
RENTAL FEES - SHOPPING CTR	236,792	21,908	209,404	88.4%
RENTAL INSURANCE	-	-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 724,440	\$ 83,530	\$ 643,631	88.8%

EXPENDITURES				
ADMINISTRATION	218,387	27,385	155,013	71.0%
DEBT SERVICE	306,132	4,655	285,768	93.3%
TOWN SHOPPING CENTER	82,495	3,499	59,537	72.2%
TOWN CENTER REDEVELOPMENT	-	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 35,539	\$ 500,318	82.4%

Total Revenues Over (Under) Exp	\$ 117,426	\$ 47,991	\$ 143,313	
--	-------------------	------------------	-------------------	--

Other Financing Sources (Uses):				
--	--	--	--	--

Operating Transfer to/from General Fund	-	-	-	
---	---	---	---	--

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 117,426			
Fund Balance Oct 1	898,805			

Ending Fund Balance	\$ 1,016,231
----------------------------	---------------------

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	611
Fund Balance as a % of Expenditures	167%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH Jul-20	Y-T-D Jul-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	40,078	360,692 90.1%
	4,000	102	3,635 90.9%
	2,000	-	988
	30,120	5,061	18,909 62.8%
			-
	150,368		
	180,000	20,044	182,721 101.5%
	-	-	-
		-	-
		-	-
	\$ 801,629	\$ 65,285	\$ 566,945 70.7%

	169,377	12,861	136,185 80.4%
	323,570	4,655	282,767 87.4%
	79,651	8,032	63,028 79.1%
	-	-	-
	\$ 572,598	\$ 25,548	\$ 481,980 84%

\$ 229,031	\$ 39,737	\$ 84,965	
-------------------	------------------	------------------	--

--	--	--	--

-	-	-	
---	---	---	--

-	-	-	
---	---	---	--

\$ 229,031			
\$ 669,774			

\$ 898,805

\$ 1,569
573
157%

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2021**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
REVENUES				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	420,148	39,936	386,185	91.9%
INVESTMENT INCOME	2,000	14	16	0.8%
MISCELLANEOUS INCOME	30,000	2,947	29,252	97.5%
INSURANCE REIMBURSEMENT				
LAND PROCEEDS	-	18,725	18,725	
RENTAL FEES - SHOPPING CTR	236,792	21,908	209,404	88.4%
RENTAL INSURANCE		-	-	
SALES OF ASSETS	-	-	-	
PROCEEDS-DEBT/LOAN/LEASE	-	-	-	
TOTAL REVENUES	\$ 723,940	\$ 83,530	\$ 643,582	88.9%

EXPENDITURES				
ADMINISTRATION	218,387	27,385	155,013	71.0%
DEBT SERVICE	306,132	4,655	285,768	93.3%
TOWN SHOPPING CENTER	82,495	3,499	59,537	72.2%
TOWN CENTER REDEVELOPMENT	\$ -	-	-	
TOTAL EXPENDITURES	\$ 607,014	\$ 35,539	\$ 500,318	82.4%

Total Revenues Over (Under) Exp	\$ 116,926	\$ 47,991	\$ 143,264	
--	-------------------	------------------	-------------------	--

Other Financing Sources (Uses):				
Operating Transfer to / from General Fund	-	-	-	

Total Other Financing Sources (Uses):	-	-	-	
--	----------	----------	----------	--

Net Change in Fund Balance	\$ 116,926			
Fund Balance Oct 1	770,219			
Ending Fund Balance	\$ 887,145			

AVERAGE DAILY EXPENDITURES	\$ 1,663
Number of Days In Reserve	533
Fund Balance as a % of Expenditures	146%

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2019-2020	FY 2019-2020	
	Original Budget	MONTH Jul-20	Y-T-D Jul-20 % Budget
	\$ 35,000	\$ -	\$ -
	400,141	\$ 40,078	360,692 90.1%
	4,000	102	3,635 90.9%
	30,120	5,061	18,909 62.8%
		-	-
	150,368	-	150,368
	180,000	20,044	182,721 101.5%
	-	-	-
		-	-
		-	-
\$ 799,629	\$ 65,285	\$ 716,325	89.6%

	169,377	12,861	136,185 80.4%
	323,570	4,655	282,767 87.4%
	79,651	8,032	63,028 79.1%
	-	-	-
\$ 572,598	\$ 25,548	\$ 481,980	84.2%

\$ 227,031	\$ 39,737	\$ 234,345	
-------------------	------------------	-------------------	--

--	--	--	--

-	-	-	
---	---	---	--

-	-	-	
---	---	---	--

\$ 227,031			
\$ 543,188			

\$ 770,219

\$ 1,569
491
135%

EDC ADMIN

EXPENDITURES	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21		Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
PRINTED SUPPLIES	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	-	0.0%
POSTAGE	50	-	-	0.0%
SUPPLIES TOTAL	2,100	-	-	0.0%
ADVERTISING	1,200	-	-	
ASSOCIATION DUES/PUBLICATIONS	3,500	-	1,170	33.4%
TRANING/SEMINARS	250	-	-	0.0%
LEGAL SERVICES	15,000	1,527	16,965	113.1%
AUDIT SERVICES	4,250	-	4,250	100.0%
SPECIAL SERVICES	42,838	1,118	6,533	15.3%
FILING FEES	-			
ENGINEERING SERVICES				
TRAVEL	100	-	-	
ENGINEERING SERVICES	-	-	-	
ADMIN CHARGE-GENERAL FUND	116,318	9,693	93,931	80.8%
FUNCTIONAL GRANT	32,831	15,047	32,164	98.0%
LAND	-			
SUNDRY TOTAL	216,287	27,385	155,013	71.7%
TOTAL EDC ADMIN EXPENDITURES	\$ 218,387	\$ 27,385	\$ 155,013	70.98%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-2020		
Original Budget	MONTH Jul-20	Y-T-D Jul-20	Y-T-D % Budget
\$ 2,000	\$ -	2,118	105.9%
50	-	-	0.0%
50	-	-	0.0%
2,100	-	2,118	100.9%
1,200	-	438	
3,395	-	1,125	33.1%
250	-	-	0.0%
14,925	587	4,918	33.0%
4,250	-	4,250	100.0%
975	2,581	4,518	463.4%
	-	-	
100			0.0%
-			
116,318	9,693	96,931	83.3%
25,864	-	21,887	84.6%
167,277	12,861	134,067	80.1%
\$ 169,377	\$ 12,861	\$ 136,185	80.4%

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
EXPENDITURES				
2007 \$1.2M TAX BOND INTEREST	\$ 42,048	\$ -	\$ 42,047	100.0%
2007 \$1.2M TAX BOND PRINCIPAL	70,000	-	70,000	100.0%
2011 \$1.7M TX LEVERAGE INT	9,196	729	7,768	84.5%
2011 \$17.M TX LEVERAGE PRIN	46,680	3,926	38,794	83.1%
2020 \$1.26M GO REFUNDING PRIN	115,000	-	115,000	100.0%
2020 \$1.26M GO REFUNDING INT	23,208	-	12,159	52.4%
TRANSFER OUT-DEBT SERV FUND	-	-	-	
TOTAL EDC DEBT EXPENDITURES	\$ 306,132	\$ 4,655	\$ 285,768	93.3%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jul-20	Y-T-D Jul-20	Y-T-D % Budget
\$ 46,566		\$ 46,496	99.8%
65,000		65,000	100.0%
18,122	854	12,244	67.6%
41,982	3,801	36,277	86.4%
151,900	-	122,750	80.8%
\$ 323,570	\$ 4,655	\$ 282,767	87.4%

EDC TOWNCENTER SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
EXPENDITURES				
BUILDING MAINTENANCE	\$ 54,195	\$ 2,308	\$ 29,084	53.7%
ELECTRIC SERVICES	5,700	350	3,963	69.5%
INSURANCE - PROPERTY	13,000	-	9,979	76.8%
SPECIAL SERVICES	9,600	841	16,511	172.0%
TOTAL EDC TOWNCENTER EXPENDITURES	\$ 82,495	\$ 3,499	\$ 59,537	72.2%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jul-20	Y-T-D Jul-20	Y-T-D % Budget
\$ 54,951	\$ 6,873	\$ 43,412	79.0%
5,700	359	4,013	70.4%
13,000	-	9,976	76.7%
6,000	800	5,627	93.8%
\$ 79,651	\$ 8,032	\$ 63,028	79.1%

EDC TOWNCENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
EXPENDITURES				
ENGINEERING SERVICES	\$ -	\$ -	\$ -	
CONSTRUCTION	-	-	-	
TOTAL EDC TOWNCENTER REDEVELOPMENT EXPENDITURES	\$ -	\$ -	\$ -	

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-20	FY 2019-20		
Original Budget	MONTH Jul-20	Y-T-D Jul-20	Y-T-D % Budget
		\$ -	
	-	-	
\$ -	\$ -	\$ -	

REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2020-2021 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2021

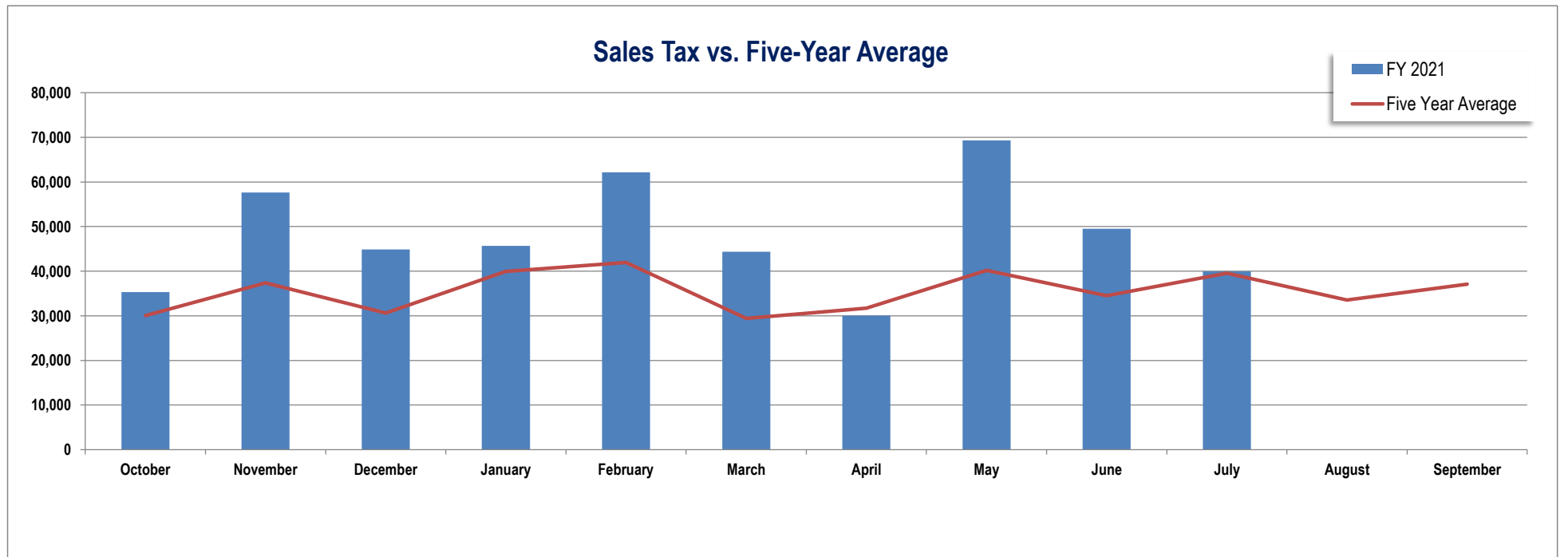
EDC BOND RESERVE FUND

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2020-21	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-21	Jul-21	% Budget
REVENUES				
INVESTMENT INCOME	500	-	\$ 49	
TOTAL REVENUES	\$ 500	\$ -	\$ 49	
EXPENDITURES				
ADMINISTRATION	\$ -	-	-	
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ 500	\$ -	\$ 49	
Net Change in Fund Balance	\$ 500			\$ -
Fund Balance Oct 1	128,586			
Ending Fund Balance	\$ 129,086			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2019-2020	FY 2019-2020		
Original Budget	MONTH Jul-20	Y-T-D Jul-20	Y-T-D % Budget
2,000	-	\$ 988	
\$ 2,000	\$ -	\$ 988	
\$ -	\$ -	\$ -	
\$ 2,000	\$ -	\$ 988	
\$ 2,000			
\$ 126,586			
\$ 128,586			

EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2021	35,291	57,626	44,861	45,645	62,176	44,334	30,071	69,300	49,500	39,936			\$ 478,740
FY2020	45,962	39,056	45,450	36,037	64,105	42,654	37,725	49,804	44,467	40,078	45,748	49,172	\$ 540,258
FY2019	31,048	38,679	39,362	88,360	45,433	36,033	34,603	46,432	38,783	43,510	36,757	47,143	\$ 526,144
FY2018	34,607	38,169	28,985	31,808	54,501	31,672	41,253	43,121	36,295	41,089	39,590	29,697	\$ 450,787
FY2017	29,583	38,719	27,285	29,652	35,265	26,215	29,043	33,374	26,747	33,648	16,530	28,850	\$ 354,908
FY2016	31,046	39,712	32,662	25,293	38,669	29,196	26,505	38,181	27,906	28,195	29,231	30,459	\$ 377,055
FY2015	23,985	31,479	27,515	24,594	35,857	24,104	27,064	39,783	42,821	55,252	48,766	59,232	\$ 440,453
FY2014	21,990	29,867	31,661	22,458	32,594	23,228	26,412	31,319	25,832	23,976	28,866	22,659	\$ 320,861
FY2013	33,617	31,297	23,446	20,135	30,003	20,791	20,318	32,020	21,136	22,435	27,973	26,025	\$ 309,197



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.1.

SUBJECT

Adoption of Amended minutes for the June 15, 2021 Regular Meeting

ORIGINATED BY

SUMMARY

Please see the attached minutes for your approval. These minutes were originally approved during a regular Council meeting on August 17. Since, Councilmember Jacobson has requested an amendment, which is highlighted on page 6.

RECOMMENDATION

ATTACHMENTS

1.	2021_06.15 Minutes_City Council Regular Meeting DRAFT - Amendment	2021_06.15 Minutes_City Council Regular Meeting DRAFT - Amendment.pdf
----	--	--

KENNEDALE CITY COUNCIL MINUTES

REGULAR MEETING | JUNE 15, 2021 AT 5:30 PM

CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

MEMBERS OF THE PUBLIC MAY JOIN IN PERSON OR VIRTUALLY BY VISITING

WWW.CITYOFKENNEDEALE.COM/JOINMEETING AND/OR BY DIALING

1-877-853-5257 (TOLL-FREE) AND USING ACCESS CODE 76060-76060

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:32 p.m. and the Council then moved to item IV.D.1. (Police Department Swearing-In). Following this item, there was a brief discussion regarding minute taking during Executive Session before the Council recessed to Executive from 5:38 p.m. to 7:30 p.m.

II. WORK SESSION

A. WORK SESSION REPORTS

1. Presentation regarding capital projects and the capital programming schedule
The Council did not hear this item.
2. Presentation by Andrew Friedman of SAMCO Capital Markets, the City's financial advisor, regarding current outstanding debt and the potential issuance of Certificates of Obligation (CO) in the amount of approximately \$6 million
The Council did not hear this item.

B. REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

III. EXECUTIVE SESSION

- A. **PURSUANT TO §551.071** — Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act, and the following:
 1. City of Kennedale v. James Coyel
 2. Kennedale Town Center agreements and assessments
 3. 800 W Kennedale Parkway
 4. Settlement agreement regarding 731 E Kennedale Parkway, 733 E Kennedale Parkway, and 804 Mansfield Cardinal Road
 5. Discussion of rules of procedure related to matters considered in executive session of City Council and other Boards and Commissions

- B. **PURSUANT TO §551.072** — Deliberation regarding the purchase, exchange, lease, or value of real property:
1. 5412 Kennedale Street
 2. Sale of 13-acre EDC-owned property on Linda Road, known as Lot1A2, Block 1 of the Harris Corporation Addition
 3. 1170 E Kennedale Parkway
- C. **PURSUANT TO §551.074** — Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee; and the following:
1. City Manager's Performance Evaluation

IV. REGULAR SESSION

Following Executive Session, Mayor Johnson called the Regular Session to order at 7:35 p.m., announcing that the Council would be holding a special meeting on Tuesday, June 22, at 7:00 p.m. The Work Session items were not discussed during this meeting. City Manager George Campbell did not return to the dais following Executive Session.

A. ROLL CALL

Present: Mayor Brian Johnson (left the meeting at 7:42 p.m. and returned at 9:49 p.m.); Jan Joplin, Place 1; Gary Mitchell, Place 2; Julie Jacobson, Place 3; Linda Rhodes, Place 4; James Connor, Place 5; **Absent:** NONE; **Staff:** City Manager George Campbell (left the meeting at 7:30 p.m.), City Attorney Drew Larkin, City Secretary and Communications Coordinator Leslie E. Galloway, Acting Police Chief Darrell Hull, Director of Finance and Information Technology Lakeita Sutton, Fire Chief James Brown, Director of Human Resources and Administrative Services Danielle Clarke, Public Works Director Larry Hoover, Administrative Assistant Rosie Ericson, Planner Grant Fore

B. INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS

Councilmember Mitchell offered the invocation. Following the Invocation and Pledges, the Council moved to item IV.F. 1. (Appointment of the Mayor Pro Tem).

C. VISITOR AND CITIZEN FORUM

There were no requests to speak at this time. Mayor Pro Tem Rhodes announced that all forms received were related to IV.F.5. and asked if there were any requesting to speak. Hearing none, the Council moved to Item IV.D.2.

D. REPORTS AND ANNOUNCEMENTS

1. Police Department Swearing-In Ceremony and Recognition of Corporal Burns' promotion

THIS ITEM WAS TAKEN OUT OF ORDER. IT WAS CONSIDERED IMMEDIATELY FOLLOWING THE CALL TO ORDER, BUT BEFORE THE COUNCIL RECESSED TO EXECUTIVE (CLOSED) SESSION.

Acting Police Chief Darrell Hull and Mayor Brian Johnson swore in Officers Quincy Millikin and Tany Valentin.

2. Updates from the City Council

- **Jan Joplin, Place 1**, thanked the audience for their patience, announced that there was a management change, and was hoping for cooperation with new directives; that she attended a KISD meeting regarding changes resulting from new developments and suggested that this presentation be made to Council as well; requested update on Sublett Road and the 820/287 interchange; and reminded all to be safe on July 4th and to remember that no fireworks are allowed in Kennedale.
- **Gary Mitchell, Place 2**, thanked everyone for attending meetings and voicing their opinions; and hoped that there would be some good resolution tonight.
- **Julie Jacobson, Place 3**, thanked the audience for attending and representing their city and their neighborhoods.
- **James Connor, Place 5**, thanked the audience for their votes and belief in him; stated that he hoped to do great things and see positive change in Kennedale; and noted that voices were being heard.
- **Mayor Pro Tem Linda Rhodes, Place 4**, had no announcements at this time.

3. Updates from the Mayor

Mayor Johnson was not present at this time.

4. Updates from the City Manager

City Manager George Campbell was not present at this time.

5. Financial Reports for the City and the EDC

Finance Director Lakeita Sutton stated that there were no highlights, but that she was available to answer any questions and offered a brief explanation of what each page of the reports showed. There was some discussion of general fund revenues including property tax receipts, EDC income from rental payments, and EDC land proceeds.

E. CONSENT AGENDA

Motion Approve. **Action** Approve removal of items 2, 4, and 5 from the Consent Agenda, **Moved By** Joplin, **Seconded By** Mayor Pro Tem Rhodes. **Motion passed unanimously.**

Motion Approve. **Action** Approve Consent Agenda items 1 and 3, **Moved By** Mitchell, **Seconded By** Joplin. **Motion passed unanimously.**

1. Approval of the minutes from the May 12, 2021 special meeting
2. Approval of the minutes from the May 18, 2021 regular meeting

Councilmember Joplin requested that the City Secretary add to the May 18 minutes, under Work Session Item 2 (regarding the \$6m bond issuance), that she had requested a delay of that item; and that when City Manager George Campbell stated that the Council requested that staff move forward with the issuance, that she stated "not the current council".

Motion Approve. **Action** Approve the minutes from the May 18, 2021 regular meeting with amendments as stated by Councilmember Joplin, **Moved By** Joplin, **Seconded By** Jacobson. **Motion passed unanimously.**

3. Approval of a one-year contract extension with BKD, LLP for the purpose of performing

an annual audit for the City and the EDC

4. Authorize the City Manager to negotiate, finalize and execute a lease agreement with Etron, Inc. for the lease of 201 W Kennedale Parkway, Building 1 in TownCenter

Councilmember Joplin stated that this was presented to the EDC Board and was now being considered by the Council. Councilmember Jacobson stated that she had some concerns about the contract. Current TownCenter building owner Craig Hughes, of Hughes Commercial Real Estate, was available to answer questions. There was some discussion regarding rent rates, unclear contract language, need to fill vacancies within TownCenter, process of contract development and approval by the EDC board, terms of the base rent plus triple net lease, sales tax revenues, foot traffic, and costs of renovations.

Motion Approve. Action Approve authorizing the City Manager to negotiate, finalize and execute a lease agreement with Etron, Inc. for the lease of 201 W Kennedale Parkway, Building 1 in TownCenter, **Moved By Mitchell, Seconded By Jacobson. Motion passed with a vote of 4-1**, with Jacobson voting against approval.

5. Authorize the City Manager to prepare bidding documents and publish notice for the sale of 5412 Kennedale Street

Motion Postpone. Action Postpone authorizing the City Manager to prepare bidding documents and publish notice for the sale of 5412 Kennedale Street, **Moved By Joplin, Seconded By Connor. Motion to postpone passed unanimously.**

F. ITEMS FOR INDIVIDUAL CONSIDERATION

1. Consider appointment of a Mayor Pro Tem

Motion Approve. Action Approve appointment of Gary Mitchell as Mayor Pro Tem, **Moved By Rhodes; Motion fails for lack of a second.**

Motion Approve. Action Approve appointment of Linda Rhodes as Mayor Pro Tem, **Moved By Mitchell, Seconded By Connor. Motion passed with a vote of 4-0-1**, with none voting against approval and Rhodes abstaining.

Mayor Johnson congratulated Mayor Pro Tem Linda Rhodes and announced that he was leaving the meeting. Following Mayor Johnson's departure at 7:42 p.m., Mayor Pro Tem Rhodes chaired the remainder of the meeting. Following this item, the Council then opened the floor for the Visitor's Forum (IV.C).

2. Consider approval of a Resolution authorizing publication of notice of intention to issue Certificates of Obligation to finance street, sidewalk and related drainage improvements at various locations in the City and the acquisition of public safety vehicles and equipment

Motion Postpone. Action Postpone to a future Council meeting items IV.F.2. and IV.F.4., **Moved By Joplin, Seconded By Jacobson. Motion to postpone passed unanimously.**

3. Consider approval of a Resolution amending the City of Kennedale Purchasing Policy

Motion Approve. **Action** Approve Consider approval of a Resolution amending the City of Kennedale Purchasing Policy, **Moved By** Joplin, **Seconded By** Jacobson.

Mayor Pro Tem Rhodes stated that she did not have any issue with the current limit of \$50,000, as it was typical. She added that there was an issue of trust and comfort level that was being addressed with this item.

Motion passed with a vote of 4-1-0, with Mayor Pro Tem Rhodes voting against approval.

4. Consider authorizing the City Manager to enter into a Professional Services Agreement (PSA) with Shield Engineering for engineering design and services related to the Safe Routes to School (SRTS) Program

This item was postponed via an earlier motion.

5. Authorize the City Manager to negotiate, finalize, and execute a contract of sale for a 13-acre EDC-owned property on Linda Road, known as Lot1A2, Block 1 of the Harris Corporation Addition

Director of Planning and Economic Development Melissa Dailey stated that this item concerned a 13-acre property at the corner of Linda and Gail that the EDC had owned since 2012. She added that it is a challenging site topographically. Dailey noted that the Water Fund paid \$171,148 for the property on behalf of the EDC, that the current offer was \$200,000, and that staff would recommend paying the original purchase price back to the Water Fund. There was some discussion regarding a past negotiation with Compressed Air and Watson Glass for the property. Dailey stated that Adlai Pennington is proposing Americana Village for the site – a residential development of about 98 homes, some townhomes, a 17,000 sqft. Office space. The combination would require a future zoning change to Neighborhood Village. Discussion of requirements imposed, the land appraisal, the architectural style of the homes, appraisal, tax revenues, the neighborhood meeting held by the developer, the proposed layout of the development, other zoning options, road capacity, and wildlife preservation.

The developer, Adlai Pennington, stated that he had made several previous investments in Kennedale, and that he felt that the neighborhood meeting gave him the impression that surrounding owners did not wish to see any development in the area.

Mayor Pro Tem Rhodes opened the public hearing at 8:46 p.m.

- Jeff Nevarez spoke in favor.
- Kelly Anderson, Chris Evans, Donald Earp, Colby Callan, Julie Mitchell, and John Hivale spoke against.

Mayor Pro Tem Rhodes closed the public hearing at 9:11 p.m.

There was some discussion among the council regarding the need for more transparency regarding developments, why this item did not go to the Planning & Zoning Commission first, updated project costs on capital improvement plan, Council's desire for a Comprehensive Plan update, Council's desire to listen to community input, infrastructure concerns, and flooding issues in the area.

Adlai Pennington stated that he would like to withdraw the contract from consideration.

Motion Deny. **Action** Deny Sale of 13-acre EDC-owned property on Linda Road, known as

Lot1A2, Block 1 of the Harris Corporation Addition, **Moved By** Connor, **Seconded By** Jacobson. **Motion to deny passed with a vote of 3-0-2**, with none voting against denial and Mitchell and Jacobson abstaining.

Following this item, the Council took a brief recess from 9:27 p.m. to 9:44 p.m.

6. Authorize the City Manager to negotiate, finalize, and execute the fifth amendment to the Lease Purchase Agreement for 1170 E Kennedale Parkway (Red's Roadhouse)

Mayor Johnson returned to the meeting at 9:49 p.m.

There was some discussion regarding the current contract under which the EDC receives rental income for the property but that when the property is sold the proceeds would go to the Bloxom Foundation, Adlai Pennington's request for an extension of the current rental agreement, that the land is not on the property tax roll because it was owned by the EDC, and Council's desire to see Mr. Pennington purchase the property. **Mr. Pennington stated that he was prepared to close on the purchase of the property within 60 days, pay two months' rent in advance, and that language could be added to the extension to allow for transfer of the building to the EDC if the property was not closed within that time frame.**

Motion Approve. **Action** Approve authorizing the City Manager to negotiate, finalize, and execute the fifth amendment to the Lease Purchase Agreement for 1170 E Kennedale Parkway (Red's Roadhouse) **to include an agreement for Adlai Pennington to purchase the land within 60 days, to pay in advance for those two months of rent, and language indicating that failure to meet these terms would result in ownership of the building being transferred to the EDC** **Moved By** Jacobson, **Seconded By** Connor. **Motion passed unanimously.**

There was a brief discussion of past rental payments due.

Motion Amend. **Action** Amend the previous motion to include payment of any back rent, **Moved By** Julie Jacobson, **Seconded By** James Connor. **Motion passed unanimously.**

G. PUBLIC HEARINGS

1. Hold a public hearing regarding amendments to land use assumptions, capital improvements plan (CIP), and associated water, wastewater, and roadway impact fees
Director of Public Works Larry Hoover stated that the Capital Improvement Advisory Committee (CIAC) letter of recommendation had been provided to the Council.

Mazen Kawasmi of Freese and Nichols offered a presentation regarding the recent study that was conducted prior to this proposed update of the water, wastewater, and roadway impact fees. There was some discussion of service areas, land use assumption, service units, existing capacity, usage and deficiencies, projected demand, service unit equivalency, cost per service unit, and the Capital Improvements Plan supported by these fees.

There was a summary offered of the recommendations of the CIAC as well as a benchmarking of those proposed impact fees compared to those of nearby cities. There was some discussion about the rates charged by other cities.

Mayor Johnson opened the public hearing at 10:27 p.m.

- Joe Palmer (representing KABO) spoke against.

Mayor Johnson closed the public hearing at 10:28 p.m.

- a. Consider an Ordinance amending Article II, Roadway Impact Fees, of Chapter 20, Streets and Sidewalks, of the Kennedale City Code, by revising roadway impact fees on new land development or redevelopment in the city limits of the City of Kennedale, Texas; updating land use assumptions and capital improvement plans; and providing for the assessment and collection of impact fees

Motion Approve. **Action** Approve an Ordinance amending Article II, Roadway Impact Fees, of Chapter 20, Streets and Sidewalks, of the Kennedale City Code, by revising roadway impact fees on new land development or redevelopment in the city limits of the City of Kennedale, Texas; updating land use assumptions and capital improvement plans; and providing for the assessment and collection of impact fees, **Moved By** Connor, **Seconded By** Mitchell. **Motion passed 4-1** with Connor voting against.

- b. Consider an Ordinance amending Article V, Water and Wastewater Impact Fees, of Chapter 23, Water, Sewers and Sewage Disposal, of the Kennedale City Code, by revising water and wastewater impact fees on new land development and redevelopment in the city limits and extraterritorial jurisdiction of the City of Kennedale, Texas; updating land use assumptions and capital improvement plans; and providing for the assessment and collection of impact fees

Motion Approve. **Action** Approve an Ordinance amending Article V, Water and Wastewater Impact Fees, of Chapter 23, Water, Sewers and Sewage Disposal, of the Kennedale City Code, by revising water and wastewater impact fees on new land development and redevelopment in the city limits and extraterritorial jurisdiction of the City of Kennedale, Texas; updating land use assumptions and capital improvement plans; and providing for the assessment and collection of impact fees, **Moved By** Connor, **Seconded By** Mayor Pro Tem Rhodes.

Councilmember Connor noted that adopting the maximum fee seemed extreme.

Motion passed 4-1 with Connor voting against.

Following this item, the Council reconvened into Executive from 10:33 p.m. to 11:08 p.m.

H. TAKE ACTION NECESSARY, PURSUANT TO EXECUTIVE SESSION, IF NEEDED

Motion Approve. **Action** Approve authorizing the City Attorney to finalize the settlement agreement in regards to the property at 731 E Kennedale Parkway, 733 E Kennedale Parkway, and 804 Mansfield Cardinal Road; and to further authorize the Mayor to execute said agreement, **Moved By** Jacobson, **Seconded By** Connor. **Motion passed unanimously.**

V. ADJOURNMENT

Motion Adjourn. **Action** Adjourn, **Moved By** Jacobson, **Seconded By** Connor. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 11:09 p.m.

APPROVED:

ATTEST:

LINDA RHODES, MAYOR PRO TEM

LESLIE E. GALLOWAY, CITY SECRETARY

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.2.

SUBJECT

Approval of the minutes from the July 22, 2021 special meeting

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Please see the attached minutes for your approval.

RECOMMENDATION

Approve

ATTACHMENTS

1.	2021_07.22 Minutes_City Council Special Meeting DRAFT	2021_07.22 Minutes_City Council Special Meeting DRAFT.pdf
----	--	--

KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | JULY 22, 2021 AT 5:30 PM
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

Mayor Linda Rhodes called the meeting to order at 5:30 p.m., noting that all were present (except for the vacant seat of Council Place 4) before immediately adjourning to Executive (Closed) Session at 5:30 p.m.

Mayor Rhodes reconvened the open meeting at 5:33 p.m.

II. EXECUTIVE SESSION

The City Council reserves the right to meet in Executive Session at any time during this meeting pursuant to the below cited sections of the Texas Government Code:

A. **PURSUANT TO §551.071** — Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act, and the following:

1. City Manager

B. **PURSUANT TO §551.074** — Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee; and the following:

1. City Manager

III. SPECIAL SESSION

A. Consider approval of a Resolution to remove City Manager and providing an effective date

Motion Approve. **Action** Approve a Resolution to remove City Manager and providing an effective date of July 22, 2021, **Moved By** Joplin, **Seconded By** Connor. **Motion passed unanimously.**

IV. ADJOURNMENT

Motion Adjourn. **Action** Adjourn, **Moved By** Jacobson, **Seconded By** Mitchell. **Motion passed unanimously.**

Mayor Rhodes adjourned the meeting at 5:34 p.m.

APPROVED:

ATTEST:

LINDA RHODES, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.3.

SUBJECT

Approval of the minutes from the August 10, 2021 special meeting

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Please see the attached minutes for your approval.

RECOMMENDATION

Approve

ATTACHMENTS

1.	2021_08.10 Minutes_City Council Special Meeting DRAFT	2021_08.10 Minutes_City Council Special Meeting DRAFT.pdf
----	--	--

KENNEDALE CITY COUNCIL MINUTES
REGULAR MEETING | AUGUST 10, 2021 AT 5:30 PM
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

Mayor Linda Rhodes called the meeting to order at 5:30 p.m., reminded the audience that all requests to speak must be submitted before the meeting began, and noted that all Councilmembers were present (with Place 4 vacant at this time).

II. ROLL CALL

Present: Mayor Linda Rhoads; Jan Joplin, Place 1; Gary Mitchell, Place 2; Julie Jacobson, Place 3; James Connor, Place 5; **Absent:** NONE (Note: Place 4 is vacant at this time); **Staff:** *Interim City Manager Leslie E. Galloway, Police Chief Darrell Hull, Director of Finance and Information Technology Lakeita Sutton, Fire Chief James Brown, Library Director Amanda King, Administrative Assistant Rosie Ericson*

III. WORK SESSION

A. Discussion of FY2021-22 budget calendar and timeline

There was no specific discussion of this item.

B. Overview of revenue projections and tax rate calculations from Finance Director Lakeita Sutton

Finance Director Lakeita Sutton gave a presentation including current FY budgeted revenues and expenditures versus projected actuals, FY21-22 revenue projections, new program requests, the budget development calendar timeline, and next steps in the process.

C. Presentation by directors of budget overviews and new program requests for each department

At this time, City Secretary Leslie Galloway, Library Director Amanda King, Fire Chief James Brown, Police Chief Darrell Hull, and Finance Director Lakeita Sutton presented department overviews including mission and highlights, responsibilities, personnel, short- and long-term goals, identified needs, and all new program requests (totaling \$755,575 across all funds). Ms. Sutton then provided a very brief overview of those departments that do not have directors at this time.

The Mayor and Council thanked the staff for their efforts on the budget especially during this time of transition and low staffing levels. Mayor Rhodes noted that the meeting on August 17 would begin at 4:30 p.m. to allow time for interviews of City Council Place 4 candidates. Councilmember Joplin noted that the citizens requested no tax increase.

Richard Weber requested to speak at this time. However, Mayor Rhodes noted that the adopted policy of the Council was to require that speaker forms be turned in before the

meeting began and that an announcement regarding that policy had been made before tonight's meeting began.

IV. ADJOURNMENT

Motion Adjourn. **Action** Adjourn. **Moved By** Jacobson. **Seconded By** Connor. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 8:31 p.m.

APPROVED:

ATTEST:

LINDA RHODES, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.4.

SUBJECT

Approval of the minutes from the August 17, 2021 regular meeting

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

These minutes will be provided to the Council for review prior to the meeting.

RECOMMENDATION

Approve

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.5.

SUBJECT

Approval of the minutes from the August 24, 2021 special meeting

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

These minutes will be provided to the Council for review prior to the meeting.

RECOMMENDATION

Approve

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.E.6.

SUBJECT

Approval of the minutes from the August 31, 2021 special meeting

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

These minutes will be provided to the Council for review prior to the meeting.

RECOMMENDATION

Approve

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.F.1.

SUBJECT

Consider adoption of an Ordinance authorizing the issuance, sale and delivery of up to \$6,000,000 in aggregate principal amount of "City of Kennedale, Texas Combination Tax and Revenue Certificates of Obligation, Series 2021"; securing the payment thereof by authorizing the levy of an annual ad valorem tax and a pledge of certain surplus revenues of the City's municipal waterworks and sewer system; and approving and authorizing the execution of a paying agent/registrar agreement, an official statement and all other instruments and procedures related thereto

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

The attached ordinance allows for the issuance of Certificates of Obligation (COs) of up to \$6 million. As the Council is aware, this issuance will not necessitate any increase in the ad valorem tax rate. The related notice of intent to issue debt was approved via Resolution by the Council during a regular meeting on July 20, 2021. The budget that appears on this same agenda for Council's consideration includes the proceeds and debt service related to this issuance.

INFORMATION FROM THE ORIGINAL STAFF REPORT

During the past several months, the Council has reviewed Capital Programming needs including streets, water/wastewater, stormwater drainage, facilities, and various public-safety equipment and apparatus. Additionally, the Council has provided direction regarding the opportunity to fund some of the highest priority projects through the issuance of new debt without the need for any increase in the debt service tax rate. Council's direction has been to issue ~\$14 million in new debt over the next three years.

It is expected that at least \$6 million in CO debt could be issued in September 2021 and another \$8 million in 2024 to fund a small portion of the \$90M+ in identified projects. The issuance of such debt is possible without a tax rate increase because of expected growth in property values and the retirement of existing debt.

RECOMMENDATION

Approve

ATTACHMENTS

1.	CO Ordinance	CO Ordinance.pdf
----	--------------	------------------

CERTIFICATE FOR ORDINANCE

**THE STATE OF TEXAS
COUNTY OF TARRANT
CITY OF KENNEDALE**

§
§
§

I, the undersigned City Secretary of the **CITY OF KENNEDALE, TEXAS** (the "**City**"), hereby certify as follows:

1. The City Council of the City (the "**City Council**") convened in Regular Meeting on September 21, 2021, at the designated meeting place (the "**Meeting**"), and the roll was called of the duly constituted officers and members of the City Council, to wit:

Linda Rhodes, Mayor
Jan Joplin, Councilmember Place 1
Gary Mitchell, Councilmember, Place 2
Julie Johnson, Councilmember, Place 3
Austin Degenhart, Councilmember, Place 4
James Connor, Councilmember, Place 5

and all of the officers and members of the City Council were present, except the following absentees: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written Ordinance No. _____ entitled

**ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF
\$ _____ IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF
KENNEDEALE, TEXAS COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2021"; SECURING THE
PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL
AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES
OF THE CITY'S MUNICIPAL WATERWORKS AND SEWER SYSTEM;
AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING
AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND
ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO**

the "**Ordinance**") was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be adopted; and, after due discussion, said motion carrying with it the adoption of the Ordinance, prevailed and carried by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full and correct copy of the Ordinance adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; the Ordinance has been duly recorded in the City Council's minutes of the Meeting; the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Ordinance; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Ordinance would be introduced and considered for passage at the Meeting, and each of said officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

ORDINANCE NO. ____

**ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF
\$ _____ IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF
KENNE DALE, TEXAS COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2021"; SECURING THE
PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL
AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES
OF THE CITY'S MUNICIPAL WATERWORKS AND SEWER SYSTEM;
AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING
AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND
ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO**

DATE OF APPROVAL: SEPTEMBER 21, 2021

TABLE OF CONTENTS

Recitals	1
Section 1. Amount and Purpose of the Certificates of Obligation.	2
Section 2. Designation, Date, Denominations, Numbers, and Maturities of Certificates of Obligation	3
Section 3. Interest	3
Section 4. Characteristics of the Certificates of Obligation; Approval of Paying Agent/Registrar Agreement	4
Section 5. Form of Certificate of Obligation	8
Section 6. Interest and Sinking Fund; Tax Levy; Security Interest.	16
Section 7. Surplus Revenues	17
Section 8. Construction Fund.	18
Section 9. Investments	18
Section 10. Empowered	18
Section 11. Defeasance of the Certificates of Obligation	19
Section 12. Damaged, Mutilated, Lost, Stolen, or Destroyed Certificates of Obligation ..	20
Section 13. Custody, Approval, and Registration of the Certificates of Obligation; Bond Counsel's Opinion, Bond Insurance, and Cusip Numbers	21
Section 14. Covenants Regarding Tax-Exemption of Interest on the Certificates of Obligation	22
Section 15. Continuing Disclosure Undertaking	25
Section 16. Sale and Delivery of the Certificates of Obligation	29
Section 17. Approval of Official Statement.	30

Section 18.	Authority for Officers to Execute Documents and Approve Changes	30
Section 19.	Ordinance a Contract; Amendments	30
Section 20.	Remedies in Event of Default	31
Section 21.	Interested Parties	32
Section 22.	Incorporation of Recitals	32
Section 23.	Severability	32
Section 24.	Effective Date	32
Signatures		
Paying Agent/Registrar Agreement	Exhibit A	
Written Procedures Relating to Continuing Compliance with Federal Tax Covenants .	Exhibit B	
Description of Annual Financial Information	Exhibit C	

ORDINANCE NO. _____

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$ _____ IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021"; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S MUNICIPAL WATERWORKS AND SEWER SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

THE STATE OF TEXAS
COUNTY OF TARRANT
CITY OF KENNEDALE

§
§
§

WHEREAS, the CITY OF KENNEDALE, TEXAS (the "*City*"), in Tarrant County, Texas, is a political subdivision of the State of Texas operating as a home-rule municipality pursuant to the Constitution and laws of the State of Texas and its City Charter, which was initially approved by the qualified voters of the City on January 17, 1998, and which was most recently amended by the qualified voters of the City on May 4, 2019; and

WHEREAS, the City Council of the City hereby determines that it is necessary and desirable to acquire, construct and equip street, sidewalk and related drainage improvements at various locations in the City and to acquire public safety equipment including a fire truck, an ambulance and related equipment (collectively, the "*Projects*"); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of Combination Tax and Revenue Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.064, Texas Local Government Code, as amended (the "*Act*"); and

WHEREAS, the City Council hereby determines that the Projects to be financed with the proceeds of the Certificates of Obligation being issued pursuant to this Ordinance consist of (a) vehicles and equipment and (b) "designated infrastructure" as such term is defined in Section 26.012(9) of the Texas Tax Code (specifically within clauses (A) and (D) thereof); consequently, such Certificates of Obligation shall constitute "Debt" within the meaning of Section 26.012(7) of the Texas Tax Code; and

WHEREAS, none of the Projects being financed with the Certificates of Obligation being issued pursuant to this Ordinance were included in a bond proposition to authorize the issuance of bonds for the same purpose that was submitted to the voters of the City during the preceding three years and failed to be approved; and

WHEREAS, on July 20, 2021, the City Council adopted a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation in the principal amount not to exceed \$6,000,000 to finance the Projects; and

WHEREAS, the principal amount of the Certificates of Obligation authorized by this Ordinance plus the original issue premium generated from the pricing of the Certificates of Obligation which is allocated to be used to pay costs of the Projects, as further described in Section 16 of this Ordinance, does not exceed the maximum amount of \$6,000,000 set forth in the notice of intention described in the preceding recital; and

WHEREAS, the Notice with respect to the Projects was duly: (i) published in the *Fort Worth Star-Telegram*, which is a newspaper of general circulation in the City, in its issues of August 3, 2021 and August 10, 2021, in satisfaction of Section 271.049(a)(1) of the Act, and (ii) posted continuously on the City's website from July 21, 2021, through the date of passage of this Ordinance in satisfaction of Section 271.049(a)(2) of the Act; and

WHEREAS, the Notice published in the *Fort Worth Star-Telegram* stated that the City Council would consider the approval of this Ordinance at a Regular Meeting to be held on September 21, 2021; and

WHEREAS, the City received no petition signed by at least five percent of the qualified electors of the City protesting the issuance of Certificates of Obligation prior to the approval of this Ordinance; and

WHEREAS, it is considered to be in the best interest of the City that said interest bearing Certificates of Obligation be issued; and

WHEREAS, the Certificates of Obligation authorized by this Ordinance are being issued by in the City in accordance with the provisions of the Act, Chapter 1201, Texas Government Code, and other applicable laws of the State of Texas; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

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

SECTION 1. AMOUNT AND PURPOSE OF THE CERTIFICATES OF OBLIGATION.
The certificate of obligation or certificates of obligation of the City further described in Section 2 of this Ordinance and referred to herein as the "Certificates of Obligation" are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO (I) ACQUIRE, CONSTRUCT AND EQUIP STREET, SIDEWALK AND RELATED**

DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY AND TO ACQUIRE PUBLIC SAFETY EQUIPMENT INCLUDING A FIRE TRUCK, AN AMBULANCE AND RELATED EQUIPMENT, (II) PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION THEREWITH, AND (III) PAY THE COSTS OF ISSUANCE RELATED TO SUCH CERTIFICATES OF OBLIGATION.

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES OF OBLIGATION. Each certificate of obligation issued pursuant to and for the purpose described in Section 1 of this Ordinance shall be designated **CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021**, and initially there shall be issued, sold and delivered hereunder one fully registered certificate of obligation, without interest coupons, dated September 15, 2021, in the aggregate principal amount of \$_____, numbered T-1 (the "***Initial Certificate of Obligation***"), with certificates of obligation issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Certificate of Obligation being payable to the initial purchaser designated in Section 16 hereof), or to the registered assignee or assignees of said certificates of obligation or any portion or portions thereof (in each case, the "***Registered Owner***"), and the certificates of obligation shall mature and be payable serially on ***February 1*** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT (\$)</u>	<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT (\$)</u>	<u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT (\$)</u>
2022		2029		2036	
2023		2030		2037	
2024		2031		2038	
2025		2032		2039	
2026		2033		2040	
2027		2034		2041	
2028		2035			

The term "***Certificates of Obligation***" as used in this Ordinance shall mean and include the Certificates of Obligation initially issued and delivered pursuant to this Ordinance and all substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term "***Certificate of Obligation***" shall mean any of the Certificates of Obligation.

SECTION 3. INTEREST. The Certificates of Obligation shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance to their respective dates of maturity or prior redemption at the following rates per annum:

<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>
2022		2029		2036	
2023		2030		2037	
2024		2031		2038	
2025		2032		2039	
2026		2033		2040	
2027		2034		2041	
2028		2035			

Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE CERTIFICATES OF OBLIGATION; APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT.

(a) Registration, Transfer, and Exchange; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (initially located in Dallas, Texas) of BOKF, N A (the "**Paying Agent/Registrar**") books or records for the registration of the transfer and exchange of the Certificates of Obligation (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit A* is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor, Mayor Pro-Tem and City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate of Obligation to which payments with respect to the Certificates of Obligation shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Certificates of Obligation shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer,

exchange and delivery of a substitute Certificate of Obligation or Certificates of Obligation shall be paid as provided in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance. Registration of assignments, transfers and exchanges of Certificates of Obligation shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. Each substitute Certificate of Obligation shall bear a letter and/or number to distinguish it from each other Certificate of Obligation.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate of Obligation, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Certificate of Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates of Obligation and Certificates of Obligation surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Certificate of Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates of Obligation in the manner prescribed herein, and said Certificates of Obligation shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Certificates of Obligation as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate of Obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates of Obligation which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Certificates of Obligation and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates of Obligation, all as provided in this Ordinance. The Paying Agent/ Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates of Obligation.

(c) In General. The Certificates of Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates of Obligation to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates of Obligation, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificates of Obligation, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. The Initial Certificate of Obligation is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate of Obligation issued in exchange for the Initial Certificate of Obligation issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form

set forth in the FORM OF CERTIFICATE OF OBLIGATION. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Certificate of Obligation delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION below, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Certificate of Obligation has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered owners of the Certificates of Obligation that at all times while the Certificates of Obligation are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Certificates of Obligation under this Ordinance. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates of Obligation, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates of Obligation, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System for Certificates of Obligation. The Certificates of Obligation issued in exchange for the Certificates of Obligation initially issued to the purchaser specified in Section 16 herein shall be initially issued in the form of a separate single fully registered Certificate of Obligation for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate of Obligation shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Certificates of Obligation shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates of Obligation registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("**DTC Participant**") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates of Obligation. Without

limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates of Obligation, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Certificates of Obligation, as shown on the Registration Books, of any notice with respect to the Certificates of Obligation, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates of Obligation, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates of Obligation. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate of Obligation is registered in the Registration Books as the absolute owner of such Certificate of Obligation for the purpose of payment of principal and interest with respect to such Certificate of Obligation, for the purpose of registering transfers with respect to such Certificate of Obligation, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates of Obligation only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Certificates of Obligation to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Certificate of Obligation certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only Systems. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Certificates of Obligation that they be able to obtain certificated Certificates of Obligation, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates of Obligation to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates of Obligation and transfer one or more separate Certificates of Obligation to DTC Participants having Certificates of Obligation credited to their DTC accounts. In such event, the Certificates of Obligation shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates of Obligation shall designate, in accordance with the provisions of this Ordinance.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate of Obligation is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Certificate of

Obligation and all notices with respect to such Certificate of Obligation shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(h) DTC Letter of Representation. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation with DTC establishing the book-entry only system with respect to the Certificates of Obligation.

(i) Delivery of Initial Certificate of Obligation. On the closing date, one Initial Certificate of Obligation representing the entire principal amount of the series of Certificates of Obligation, payable in stated installments to the initial registered owner named in Section 16 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Certificate of Obligation, the Paying Agent/Registrar shall cancel the Initial Certificate of Obligation and deliver to the initial registered owner or its designee one registered definitive Certificate of Obligation for each year of maturity of the Certificates of Obligation, in the aggregate principal amount of all of the Certificates of Obligation for such maturity.

SECTION 5. FORM OF CERTIFICATE OF OBLIGATION. The form of the Certificates of Obligation, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Certificates of Obligation initially issued and delivered pursuant to this Ordinance), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

[The remainder of this page intentionally left blank]

FORM OF CERTIFICATE OF OBLIGATION

R-	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF TARRANT CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021	PRINCIPAL AMOUNT \$ _____
----	---	--

INTEREST RATE	MATURITY DATE	DATE OF SERIES	CUSIP NO.
_____%	February 1, 20__	September 15, 2021	489332 ____

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, the **CITY OF KENNEDALE, TEXAS** (the "**City**"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "**Registered Owner**"), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from the date of initial delivery of this Certificate of Obligation, as shown on the records of the Paying Agent/Registrar (defined below), at the Interest Rate per annum specified above, payable on February 1, 2022, and semiannually on each February 1 and August 1 thereafter to the Maturity Date specified above; or the date of redemption prior to maturity, except that if this Certificate of Obligation is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate of Obligation or Certificates of Obligation, if any, for which this Certificate of Obligation is being exchanged is due but has not been paid, then this Certificate of Obligation shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate of Obligation are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate of Obligation shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate of Obligation at maturity or upon the date fixed for redemption prior to maturity, at the designated corporate trust or commercial banking office of **BOKE, NA**, which is the "**Paying Agent/Registrar**" for this Certificate of Obligation. The payment of interest on this Certificate of Obligation shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check, dated as of such interest payment

date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the Ordinance authorizing the issuance of this Certificate of Obligation (the "**Ordinance**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the fifteenth day of the month next preceding each such date (the "**Record Date**") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "**Special Record Date**") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "**Special Payment Date**" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Registered Owner appearing on the Registration Books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Certificate of Obligation prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate of Obligation for redemption and payment at the designated corporate trust office of the Paying Agent/Registrar (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Certificates of Obligation shall be payable in the regular manner described above). The City covenants with the Registered Owner of this Certificate of Obligation that on or before each principal payment date, interest payment date and accrued interest payment date for this Certificate of Obligation it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates of Obligation, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate of Obligation shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE OF OBLIGATION is one of a series of Certificates of Obligation dated as of September 15, 2021, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO (I) ACQUIRE, CONSTRUCT AND EQUIP STREET, SIDEWALK AND RELATED DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY AND TO ACQUIRE PUBLIC SAFETY EQUIPMENT INCLUDING A FIRE TRUCK, AN AMBULANCE AND RELATED EQUIPMENT, (II) PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION THEREWITH, AND (III) PAY THE COSTS OF ISSUANCE RELATED TO SUCH CERTIFICATES OF OBLIGATION.**

ON FEBRUARY 1, 2030, or on any date thereafter, the Certificates of Obligation of this Series maturing on and after February 1, 2031, may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of a Certificate of Obligation may be redeemed only in an integral multiple of \$5,000), at the redemption price of the principal amount of Certificates of Obligation called for redemption, plus accrued interest thereon to the date fixed for redemption. The City shall determine the maturity or maturities, and the principal amount of Certificates of Obligation within each maturity, to be redeemed. If less than all Certificates of Obligation of a maturity are to be redeemed, the particular Certificates of Obligation to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

ADDITIONALLY, THE CERTIFICATES OF OBLIGATION MATURING on February 1 in the years 20__, 20__, and 20__ (the "**Term Certificates**") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

TERM CERTIFICATES MATURING FEBRUARY 1, 20__		TERM CERTIFICATES MATURING FEBRUARY 1, 20__	
Mandatory Redemption Date	Redemption Amount (\$)	Mandatory Redemption Date	Redemption Amount (\$)
February 1, 20__		February 1, 20__	
February 1, 20__		February 1, 20__	
February 1, 20__ (maturity)		February 1, 20__ (maturity)	

TERM CERTIFICATES MATURING FEBRUARY 1, 20__	
Mandatory Redemption Date	Redemption Amount (\$)
February 1, 20__	
February 1, 20__	
February 1, 20__ (maturity)	

The principal amount of the Term Certificates required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of the City, by the principal amount of any such Term Certificates which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City, or (iii) shall have been redeemed pursuant to the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 DAYS prior to the date fixed for any redemption of Certificates of Obligation or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid to the Registered Owner of each Certificate of Obligation to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. The notice with respect to an optional redemption of Certificates of Obligation may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates of Obligation or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Certificates of Obligation or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate of Obligation shall be redeemed a substitute Certificate of Obligation or Certificates of Obligation having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

ALL CERTIFICATES OF OBLIGATION OF THIS SERIES are issuable solely as fully registered Certificates of Obligation, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate of Obligation, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Certificates of Obligation, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate of Obligation to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate of Obligation must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate of Obligation or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate of Obligation or any such portion or portions

hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate of Obligation may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate of Obligation or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring and exchanging any Certificate of Obligation or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER THE BENEFICIAL OWNERSHIP of this Certificate of Obligation is determined by a book entry at a securities depository for the Certificates of Obligation, the foregoing requirements of holding, delivering or transferring this Certificate of Obligation shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates of Obligation is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates of Obligation.

IT IS HEREBY certified, recited, and covenanted that this Certificate of Obligation has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate of Obligation have been performed, existed, and been done in accordance with law; that this Certificate of Obligation is a general obligation of the City, issued on the full faith and credit thereof; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate of Obligation, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law and that this Certificate of Obligation is additionally secured by a lien on and pledge of Surplus Revenues received by the City from the ownership and operation of the City's Municipal Waterworks and Sewer System, all as provided in the Ordinance authorizing the Certificates of Obligation.

THE CITY also has reserved the right to amend the Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates of Obligation.

BY BECOMING the Registered Owner of this Certificate of Obligation, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the

terms and provisions of this Certificate of Obligation and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate of Obligation to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City, and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate of Obligation.

Countersigned:

(facsimile signature)
City Secretary
City of Kennedale, Texas

(facsimile signature)
Mayor [Pro-Tem]
City of Kennedale, Texas

(CITY SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS:**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

Witness my signature and seal this _____.

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate of Obligation is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Certificate of Obligation has been issued under the provisions of the Ordinance described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for a certificate of obligation or certificates of obligation, or a portion of a certificate of obligation or certificates of obligation of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

BOKF, NA
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Certificate of Obligation, or duly authorized representative or attorney thereof, hereby sells, assigns and transfers this Certificate of Obligation and all rights hereunder unto _____

_____/_____
(Assignee's Social Security or Taxpayer Identification Number) (Please print or typewrite Assignee's name and address, including zip code)

and hereby irrevocably constitutes and appoints _____ attorney to transfer the registration of this Certificate of Obligation on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate of Obligation in every particular, without alteration or enlargement or any change whatsoever.

INITIAL CERTIFICATE OF OBLIGATION INSERTIONS

The Initial Certificate of Obligation shall be in the form set forth above except that:

- (A) Immediately under the name of the Certificate of Obligation, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.
- (B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, the ***CITY OF KENNEDALE, TEXAS*** (the "***City***"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from the date of initial delivery of this Certificate of Obligation, as shown on the records of the Paying Agent/Registrar (defined below), at the respective Interest Rates per annum specified below, payable on February 1, 2022, and semiannually on each February 1 and August 1 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Certificate of Obligation are set forth in the following schedule:

<u>MATURITY DATE</u> <u>(FEBRUARY 1)</u>	<u>PRINCIPAL</u> <u>INSTALLMENT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>
20__		
20__		
20__		

[Insert information from Sections 2 and 3 above]

- (C) The Initial Certificate of Obligation shall be numbered "T-1."

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST.

(a) Interest and Sinking Fund; Tax Levy. A special Interest and Sinking Fund for the Certificates of Obligation (the "***Interest and Sinking Fund***") is hereby created solely for the benefit of the Certificates of Obligation, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificates of Obligation. All ad valorem taxes levied and collected for and on account of the Certificates of Obligation shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates of

Obligation or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which, together with "Surplus Revenues" with respect to the Certificates of Obligation (as described in Section 7 below) budgeted to pay principal and interest coming due during such fiscal year, will be sufficient to raise and produce the money required to pay the interest on the Certificates of Obligation as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of its Certificates of Obligation as such principal matures (but never less than 2% of the original principal amount of the Certificates of Obligation as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the respective Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates of Obligation, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the ad valorem taxes and Surplus Revenues granted by the City under Section 6(a) and Section 7, respectively, of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates of Obligation are outstanding and unpaid such that the pledge of the ad valorem taxes or Surplus Revenues granted by the City under Section 6(a) and Section 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates of Obligation the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 7. SURPLUS REVENUES. Pursuant to Section 271.052 of the Act and Chapter 1502, Texas Government Code, as amended, the Certificates of Obligation additionally shall be payable from and secured by surplus revenues derived by the City from the City's Municipal Waterworks and Sewer System remaining after (a) payment of all amounts constituting operation and maintenance expenses of said Municipal Waterworks and Sewer System, and (b) payment of all debt service, reserve, and other requirements and amounts required to be paid under all ordinances heretofore or hereafter authorizing (i) all bonds and (ii) all other obligations not on a parity with the Certificates of Obligation, which are payable from and secured by any Municipal Waterworks and Sewer System revenues, and (c) payment of all amounts payable from any Municipal Waterworks and Sewer System revenues pursuant to contracts heretofore or hereafter entered into by the City in accordance with law (the "**Surplus Revenues**"). If for any reason the City fails to deposit ad valorem taxes levied pursuant to Section 6 hereof to the credit of the Interest and Sinking Fund in an amount sufficient to pay, when due, the principal of and interest on the Certificates of Obligations, then Surplus Revenues may be deposited to the credit of the Interest and Sinking Fund and used to pay such principal and/or interest. The City reserves, and shall have, the right to issue bonds and other obligations not on a parity with the Certificates of Obligation, and to

enter into contracts, in accordance with applicable laws, to be payable from and secured by any Municipal Waterworks and Sewer System revenues.

SECTION 8. CONSTRUCTION FUND. There is hereby created and established in the depository of the City, a fund to be called the *City of Kennedale, Texas Combination Tax and Revenue Certificates of Obligation (Series 2021) Construction Fund* (herein called the "**Construction Fund**"). Proceeds from the sale and delivery of the Certificates of Obligation (other than proceeds representing accrued interest on the Certificates of Obligation, if any, and any premium on the Certificates of Obligation that is not used by the City to pay costs of issuance or costs related to the purpose for which the Certificates of Obligation have been issued in accordance with the provisions of Section 1201.042(d)(3) and (4), Texas Government Code, as amended, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Certificates of Obligation are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the projects being financed with proceeds of the Certificates of Obligation and the issuance of the Certificates of Obligation. All funds remaining on deposit in the Construction Fund upon completion of the projects being financed with the proceeds from the Certificates of Obligation, if any, shall be transferred to the Interest and Sinking Fund.

SECTION 9. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Certificates of Obligation were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Certificates of Obligation. It is further provided, however, that any interest earnings on Certificate of Obligation proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates of Obligation from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 10. EMPOWERED. The City Manager and the Director of Finance and Information Technology of the City are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

SECTION 11. DEFEASANCE OF THE CERTIFICATES OF OBLIGATION.

(a) Defeasance. Any Certificate of Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "*Defeased Certificate of Obligation*") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate of Obligation, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "*Future Escrow Agreement*") for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates of Obligation shall have become due and payable. Thereafter, the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar for the payment of such Defeased Certificate of Obligation, including any insufficiency therein caused by the failure of the escrow agent under such Future Escrow Agreement to receive payment when due on the Defeasance Securities. At such time as a Certificate of Obligation shall be deemed to be a Defeased Certificate of Obligation hereunder, as aforesaid, such Certificate of Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates of Obligation that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Certificates of Obligation for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates of Obligation immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Investment of Funds in Defeasance Securities. Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates of Obligation and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates of Obligation may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates of Obligation, with respect to

which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) Definition of Defeasance Securities. The term "*Defeasance Securities*" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Certificates of Obligation.

(d) Duties of Paying Agent/Registrar. Until all Defeased Certificates of Obligation shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates of Obligation the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) Selection of Certificates of Obligation to be Defeased. In the event that the City elects to defease less than all of the principal amount of Certificates of Obligation of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates of Obligation by such random method as it deems fair and appropriate.

SECTION 12. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES OF OBLIGATION.

(a) Replacement Certificates of Obligation. In the event any outstanding Certificate of Obligation is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new certificate of obligation of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate of Obligation, in replacement for such Certificate of Obligation in the manner hereinafter provided.

(b) Application for Replacement Certificates of Obligation. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates of Obligation shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner applying for a replacement certificate of obligation shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of

the loss, theft, or destruction of such Certificate of Obligation, as the case may be. In every case of damage or mutilation of a Certificate of Obligation, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate of Obligation so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate of Obligation shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate of Obligation, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate of Obligation) instead of issuing a replacement Certificate of Obligation, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates of Obligation. Prior to the issuance of any replacement certificate of obligation, the Paying Agent/Registrar shall charge the registered owner of such Certificate of Obligation with all legal, printing, and other expenses in connection therewith. Every replacement certificate of obligation issued pursuant to the provisions of this Section by virtue of the fact that any Certificate of Obligation is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Certificate of Obligation shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates of Obligation duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates of Obligation. In accordance with Chapter 1201, Texas Government Code, as amended, this Section of this Ordinance shall constitute authority for the issuance of any such replacement certificate of obligation without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such certificates of obligations is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates of Obligation in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Certificates of Obligation issued in exchange for other Certificates of Obligation.

SECTION 13. CUSTODY, APPROVAL, AND REGISTRATION OF THE CERTIFICATES OF OBLIGATION; BOND COUNSEL'S OPINION, BOND INSURANCE, AND CUSIP NUMBERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Certificates of Obligation initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates of Obligation pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates of Obligation said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates of Obligation, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City), a statement regarding the issuance of a municipal bond insurance policy to secure payment of debt service on the Certificates of Obligation, if any, and the assigned CUSIP numbers may, at

the option of the City, be printed on the Certificates of Obligation issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates of Obligation.

SECTION 14. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE CERTIFICATES OF OBLIGATION.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates of Obligation as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates of Obligation, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates of Obligation (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Certificates of Obligation being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates of Obligation being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates of Obligation, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code)

which produces a materially higher yield over the term of the Certificates of Obligation, other than investment property acquired with --

(A) proceeds of the Certificates of Obligation invested for a reasonable temporary period of three years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Certificates of Obligation are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates of Obligation;

(7) to otherwise restrict the use of the proceeds of the Certificates of Obligation or amounts treated as proceeds of the Certificates of Obligation, as may be necessary, so that the Certificates of Obligation do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Certificates of Obligation or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates of Obligation in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates of Obligation) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates of Obligation have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a "**Rebate Fund**" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the holders of the Certificates of Obligation. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates of Obligation. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the

Certificates of Obligation, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates of Obligation, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager and the Director of Finance and Information Technology of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates of Obligation.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (collectively referred to in this Section as the "**Projects**") on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates of Obligation, or (2) the date the Certificates of Obligation are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Projects. The City covenants that the property constituting the Projects will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Certificates of Obligation. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Written Procedures. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City Council hereby adopts and establishes the instructions attached hereto as *Exhibit B* as the City's written procedures.

(g) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(h) Designation as Qualified Tax-Exempt Obligations. The City hereby designates the Certificates of Obligation as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the City represents, covenants and warrants the following: (i) that during the calendar year in which the Certificates of Obligation are issued, the City (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Certificates of Obligation, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (ii) that the City reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Certificates of Obligation are issued, by the City (or any subordinate entities) will not exceed \$10,000,000; and (iii) that the City will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Certificates of Obligation will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 15. CONTINUING DISCLOSURE UNDERTAKING.

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

"**EMMA**" means the Electronic Municipal Market Access system established and maintained by the MSRB.

"**Financial Obligation**" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"**MSRB**" means the Municipal Securities Rulemaking Board.

"**Rule**" means SEC Rule 15c2-12, as amended from time to time.

"**SEC**" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB through EMMA financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance, being the information described in Exhibit C hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide (1) unaudited financial statements for such fiscal year within such required time, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

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

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) Event Notices.

The City shall file notice of the following events with respect to the Certificates of Obligation to the MSRB through EMMA in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates of Obligation, or other material events affecting the tax status of the Certificates of Obligation;
7. Modifications to rights of the holders of the Certificates of Obligation, if material;

8. Certificate of Obligation calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates of Obligation, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as provided by SEC Release No. 34-83885, dated August 20, 2018.

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

(d) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates of Obligation within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 11 of this Ordinance that causes Certificates of Obligation no longer to be outstanding.

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

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

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

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

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates of Obligation in the primary offering of the Certificates of Obligation in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates of Obligation consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates of Obligation. The City may also amend or repeal the provisions of this continuing

disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates of Obligation in the primary offering of the Certificates of Obligation. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (b) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

SECTION 16. SALE AND DELIVERY OF THE CERTIFICATES OF OBLIGATION.
The Certificates of Obligation are hereby initially sold and shall be delivered to _____ (the "**Purchaser**") at a price of \$_____, which amount is equal to par value thereof, plus/less an original issue premium/discount of \$_____, and less Purchaser's discount of \$_____, and accrued interest to the date of delivery. \$_____ of such premium on the Certificates of Obligation shall be deposited into the Construction Fund to be used for the purposes for which the Certificates of Obligation are being issued and shall be counted against the amount noted in the Notice of Intention described in the fifth recital of this Ordinance; \$_____ of such premium shall be used by the City to pay costs of issuance (including the Purchaser's discount described above) in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended; and the remaining premium in the amount of \$_____ will be deposited into the Interest and Sinking Fund. The City will deliver to the Purchaser an Initial Certificate in the aggregate principal amount of \$_____ payable in principal installments on the dates and in the principal amounts shown in Section 2 hereof, and bearing interest at the rates for each respective maturity as shown in Section 3 hereof. The Initial Certificate shall be registered in the name of _____. It is hereby officially found, determined, and declared that the Purchaser is the highest bidder for the Certificates of Obligation as a result of invitations for competitive bids. It is further officially found, determined, and declared that the Certificates of Obligation have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and the Preliminary Official Statement, dated September 14, 2021, prepared and distributed in connection with the sale of the Certificates of Obligation. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with the City's Financial Advisor, the City Council hereby determines that the final terms of the Certificates of Obligation as set forth in this Ordinance and resulting from the receipt of such competitive bids are in the City's best interest.

SECTION 17. APPROVAL OF OFFICIAL STATEMENT. The City hereby approves the form and content of the Official Statement relating to the Certificates of Obligation and any addenda, supplement, or amendment thereto, and approves the distribution of the Official Statement in the reoffering of the Certificates of Obligation by the Purchaser in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement for the Certificates of Obligation, dated [September 14, 2021], prior to the date hereof is hereby ratified and confirmed. The City Council finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" as of each of their respective dates within the meaning, and for the purpose, of Rule 15c2-12 promulgated under authority granted by the Federal Securities and Exchange Act of 1934.

SECTION 18. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Secretary, City Manager and the Director of Finance and Information Technology of the City shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates of Obligation, the sale of the Certificates of Obligation, the Official Statement, and the Paying Agent/Registrar Agreement, and all actions related to the issuance of the Certificates of Obligation which have previously been taken by such officials are hereby ratified and approved. In addition, prior to the initial delivery of the Certificates of Obligation, the Mayor, Mayor Pro-Tem, City Secretary, City Manager, Director of Finance and Information Technology, City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Certificates of Obligation by the Attorney General's office. In case any officer whose signature shall appear on any Certificate of Obligation shall cease to be such officer before the delivery of such Certificate of Obligation, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Director of Finance and Information Technology of the City is further authorized to pay to the Attorney General of Texas prior to the delivery of the Certificates of Obligation, for the Attorney General's review of the transcript of proceedings related to the Certificates of Obligation, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION 19. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Certificates of Obligation, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Certificate of Obligation remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, amend, change, or modify this Ordinance as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity,

inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Registered Owners. The City may, with the written consent of the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the Registered Owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates of Obligation, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Certificate of Obligation over any other Certificate of Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Certificates of Obligation required for consent to any such amendment, change, modification, or rescission. Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of the Registered Owners, the City shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to the Registered Owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 20. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Certificates of Obligation, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance and the continuation thereof for 30 days after the City has received written notice of such defaults, the Holders of any of the Certificates of Obligation shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

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

SECTION 21. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the

City, the Purchaser and the registered owners of the Certificates of Obligation, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Purchaser and the registered owners of the Certificates of Obligation.

SECTION 22. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION 23. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 24. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption by the City Council.

[The remainder of this page intentionally left blank]

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT.

EXHIBIT B

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Certificates, the City's chief financial officer (the "**Responsible Person**"), which is currently the Director of Finance and Information Technology will:

- (i) instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities financed with the Certificates must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Certificates will be entered into within six (6) months of the date of delivery of the Certificates (the "**Issue Date**");
- (ii) monitor that at least 85% of the proceeds of the Certificates to be used for the construction, renovation or acquisition of any facilities are expended within three (3) years of the Issue Date;
- (iii) restrict the yield of the investments to the yield on the Certificates after three (3) years of the Issue Date;
- (iv) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Certificates does not exceed an amount equal to the debt service on the Certificates in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Certificates for the immediately preceding 12-month period;
- (v) ensure that no more than 50% of the proceeds of the Certificates are invested in an investment with a guaranteed yield for four years or more;
- (vi) maintain any official action of the City (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Certificates any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- (vii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (viii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the Issue Date and (B) within 30 days after the date the Certificates are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Certificates the Responsible Person will:

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- (ii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- (iv) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Certificates are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Certificates are outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Certificates and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Certificates. If any portion of the Certificates is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Certificates. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 15 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2021, all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in Table 1, and under Tables 1 through 14 of Appendix A.
2. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2021, the annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within twelve months after the end of any fiscal year.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 2 above.

SIGNED AND SEALED the 21st day of September, 2021.

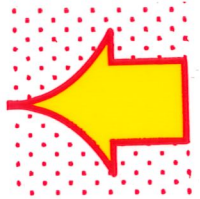
(SEAL)

City Secretary
City of Kennedale, Texas



***PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE,
TEXAS AT A REGULAR MEETING ON SEPTEMBER 21, 2021 AT WHICH MEETING A
QUORUM WAS PRESENT.***

Mayor, City of Kennedale, Texas



ATTEST:

City Secretary, City of Kennedale, Texas

(City Seal)

** ** ** ** **

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.F.2.

SUBJECT

Discuss and consider an Ordinance, adopting the Budget for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

At this time, the Council will consider approval of an Ordinance, adopting the FY21–22 Budget (Program of Services) for the City of Kennedale, Texas. Following direction from the Council during a special meeting on August 31, staff has implemented the following changes to the originally proposed budget:

- Updated SRO revenue from \$83,424 to \$118,375 (increase in revenue of \$34,951)
- Added Fire Assignment pay (increase in expenditures of \$5,000)
- Reduce Planner from Full-time to Part-time (decrease in expenditures of \$26,860)
- 2% Cost of Living Increase for Civilians still Included (no effect)
- Sales tax increase from 4% to 5% (revenue increase of \$16,101)
- Sales tax interlocal increased from \$107,000 to \$120,000 (revenue increase of \$13,000)
- Decrease in the ad valorem tax rate of one cent (\$0.764085)
- Projected General Fund drawdown of \$899,430

As noted by staff during that same meeting, the drawdown is expected to be mitigated via the receipt of ARPA (American Rescue Plan Act) funding. A PDF of the FY21-22 Budget, as adopted by City Council will be posted at www.cityofkennedale.com/budget no later than September 30, 2020.

RECOMMENDATION

Approve

MUST BE A RECORD VOTE.

ATTACHMENTS

1.	O732 Budget Adoption 2021	O732 Budget Adoption 2021.pdf
----	---------------------------	-------------------------------

ORDINANCE NO. 732

AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS, ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; APPROPRIATING RESOURCES FOR EACH DEPARTMENT, PROJECT, OPERATION, ACTIVITY, PURCHASE, ACCOUNT AND OTHER EXPENDITURES; PROVIDING FOR EMERGENCY EXPENDITURES AND EXPENDITURES AS ALLOWED BY APPLICABLE STATE LAW; PROVIDING FOR THE FILING AND POSTING OF THE BUDGET AS REQUIRED BY STATE LAW; PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City Manager of the City has filed with the City Secretary a budget outlining all proposed expenditures of the government of the City for the fiscal year beginning October 1, 2021, and ending September 30, 2022, (hereinafter referred as the "Budget"); and

WHEREAS, the Budget specifically sets forth each of the various projects for which appropriations are delineated, and the estimated amount of money carried in the Budget for each of such projects; and

WHEREAS, the Budget has been filed with the City Secretary for at least thirty (30) days before the date the City Council makes its tax levy for the fiscal year and such Budget has been available for inspection by any taxpayer; and

WHEREAS, notice of a public hearing on the proposed Budget, stating the date, time, place and subject matter of said public hearing, was given as required by the laws of the State of Texas; and

WHEREAS, such public hearing was held on September 15, 2021, prior approval of such date being ratified and confirmed by the City Council, and those wishing to speak on the Budget were heard; and

WHEREAS, the City Council has studied the Budget and listened to the comments of the taxpayers at the public hearing held thereon and has determined that the Budget, a copy of which is attached hereto as Exhibit "A" and incorporated herein for all purposes, is in the best interest of the City and that same should be approved and adopted.

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

SECTION 1.

All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2.

The Budget of the revenue of the City and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning October 1, 2021, and ending September 30, 2022, is hereby adopted and approved, and there is hereby appropriated from the funds indicated therein such sums for the projects, operations, activities, purchases, accounts and other expenditures proposed in the Budget, as set forth in Exhibit "A".

SECTION 3.

No expenditure of the funds of the City of Kennedale shall hereafter be made except in compliance with the Budget and applicable state law; provided, however, that in case of grave public necessity to meet unusual and unforeseen conditions, which could not by reasonable, diligent thought and attention have been included in the original Budget, expenditures may from time to time be authorized by the City Council as amendments to the original Budget.

SECTION 4.

A copy of the approved Budget, including the cover page, shall be posted on the City's website, along with the record vote of each member of the City Council, as required by law. In addition, the City Manager shall file or cause to be filed a true and correct copy of this ordinance, along with the approved Budget attached hereto, with the City Secretary. The City Manager shall file or cause to be filed a true and correct copy of this ordinance, along with the approved Budget attached hereto, and any amendments thereto, in the office of the County Clerk of Tarrant County, Texas, as required by State law.

SECTION 5.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such invalid or unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 6.

That this ordinance be in full force and effect from and after its adoption.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
KENNEDALE, TEXAS, THIS THE 21ST DAY OF SEPTEMBER 2021.**

APPROVED:

MAYOR LINDA RHODES
[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY DREW LARKIN

ORDINANCE NO. 732

EXHIBIT "A"

CITY OF KENNEDALE				CITY OF KENNEDALE			
FY 2021-2022 ALL FUNDS REVENUE AND EXPENDITURE SUMMARY				FY 2021-2022 ALL FUNDS REVENUE AND EXPENDITURE SUMMARY			
REVENUE		EXPENDITURES		REVENUE		EXPENDITURES	
	2021-2022 PROPOSED		2021-2022 PROPOSED		2021-2022 PROPOSED		2021-2022 PROPOSED
GENERAL FUND	8,002,160	GENERAL FUND	8,901,590	GENERAL FUND	8,002,160	GENERAL FUND	8,901,590
CAPITAL REPLACEMENT FUND	234,703	CAPITAL REPLACEMENT FUND	219,663	CAPITAL REPLACEMENT FUND	234,703	CAPITAL REPLACEMENT FUND	219,663
COURT SECURITY FUND	2,115	COURT SECURITY FUND	-	COURT SECURITY FUND	2,115	COURT SECURITY FUND	-
COURT TECHNOLOGY FUND	1,210	COURT TECHNOLOGY FUND	875	COURT TECHNOLOGY FUND	1,210	COURT TECHNOLOGY FUND	875
STREET IMPROVEMENT FUND	917,506	STREET IMPROVEMENT FUND	1,154,766	STREET IMPROVEMENT FUND	917,506	STREET IMPROVEMENT FUND	1,154,766
JUVENILE CASE MANAGER FUND	1,205	JUVENILE CASE MANAGER FUND	-	JUVENILE CASE MANAGER FUND	1,205	JUVENILE CASE MANAGER FUND	-
PARK REC/OTHER DONATION FUND	13	PARK REC/OTHER DONATION FUND	-	PARK REC/OTHER DONATION FUND	13	PARK REC/OTHER DONATION FUND	-
TREE REFORESTATION FUND	30	TREE REFORESTATION FUND	-	TREE REFORESTATION FUND	30	TREE REFORESTATION FUND	-
UNCLAIMED PROPERTY FUND	-	UNCLAIMED PROPERTY FUND	-	UNCLAIMED PROPERTY FUND	-	UNCLAIMED PROPERTY FUND	-
GENERAL FUNDS	\$ 9,158,942	GENERAL FUNDS	\$ 10,276,894	GENERAL FUNDS	\$ 9,158,942	GENERAL FUNDS	\$ 10,276,894
GENERAL DEBT SERVICE FUND	\$ 1,727,705	GENERAL DEBT SERVICE FUND	\$ 1,668,763	GENERAL DEBT SERVICE FUND	\$ 1,727,705	GENERAL DEBT SERVICE FUND	\$ 1,668,763
WATER/SEWER FUND	4,521,797	WATER/SEWER FUND	4,377,462	WATER/SEWER FUND	4,521,797	WATER/SEWER FUND	4,377,462
STORMWATER UTILITY FUND	266,175	STORMWATER UTILITY FUND	229,343	STORMWATER UTILITY FUND	266,175	STORMWATER UTILITY FUND	229,343
WATER IMPACT FUND	52,660	WATER IMPACT FUND	-	WATER IMPACT FUND	52,660	WATER IMPACT FUND	-
SEWER IMPACT FUND	16,948	SEWER IMPACT FUND	60,000	SEWER IMPACT FUND	16,948	SEWER IMPACT FUND	60,000
WATER IMPROVEMENT FUND	-	WATER IMPROVEMENT FUND	-	WATER IMPROVEMENT FUND	-	WATER IMPROVEMENT FUND	-
WATER AND SEWER FUNDS	\$ 4,857,580	WATER AND SEWER FUNDS	\$ 4,666,804	WATER AND SEWER FUNDS	\$ 4,857,580	WATER AND SEWER FUNDS	\$ 4,666,804
EDC4B FUND	800,048	EDC4B FUND	625,073	EDC4B FUND	800,048	EDC4B FUND	625,073
EDC4B CAPITAL BOND FUND	-	EDC4B CAPITAL BOND FUND	-	EDC4B CAPITAL BOND FUND	-	EDC4B CAPITAL BOND FUND	-
EDC4B BOND RESERVE FUND	55	EDC4B BOND RESERVE FUND	-	EDC4B BOND RESERVE FUND	55	EDC4B BOND RESERVE FUND	-
EDC4B FUNDS	\$ 800,103	EDC4B FUNDS	\$ 625,073	EDC4B FUNDS	\$ 800,103	EDC4B FUNDS	\$ 625,073
CAPITAL PROJECTS FUND	120,060	CAPITAL PROJECTS FUND	106,501	CAPITAL PROJECTS FUND	120,060	CAPITAL PROJECTS FUND	106,501
CAPITAL BOND FUND	1,235	CAPITAL BOND FUND	-	CAPITAL BOND FUND	1,235	CAPITAL BOND FUND	-
PARK DEDICATION FUND	375	PARK DEDICATION FUND	170	PARK DEDICATION FUND	375	PARK DEDICATION FUND	170
LIBRARY BUILDING FUND	110	LIBRARY BUILDING FUND	-	LIBRARY BUILDING FUND	110	LIBRARY BUILDING FUND	-
ROADWAY IMPACT FEE FUND	12,130	ROADWAY IMPACT FEE FUND	137,525	ROADWAY IMPACT FEE FUND	12,130	ROADWAY IMPACT FEE FUND	137,525
CAPITAL PROJECT FUNDS	\$ 133,910	CAPITAL PROJECT FUNDS	\$ 244,196	CAPITAL PROJECT FUNDS	\$ 133,910	CAPITAL PROJECT FUNDS	\$ 244,196
TIF #1 (NEW HOPE) FUND	192,748	TIF #1 (NEW HOPE) FUND	-	TIF #1 (NEW HOPE) FUND	192,748	TIF #1 (NEW HOPE) FUND	-
HOTEL/MOTEL TAX FUND	11,006	HOTEL/MOTEL TAX FUND	-	HOTEL/MOTEL TAX FUND	11,006	HOTEL/MOTEL TAX FUND	-
POLICE SEIZURE FUND	-	POLICE SEIZURE FUND	-	POLICE SEIZURE FUND	-	POLICE SEIZURE FUND	-
LEOSE FUND	1,740	LEOSE FUND	1,650	LEOSE FUND	1,740	LEOSE FUND	1,650
DISASTER RECOVERY	-	DISASTER RECOVERY FUND	-	DISASTER RECOVERY	-	DISASTER RECOVERY FUND	-
SPECIAL REVENUE FUNDS	\$ 205,494	SPECIAL REVENUE FUNDS	\$ 1,650	SPECIAL REVENUE FUNDS	\$ 205,494	SPECIAL REVENUE FUNDS	\$ 1,650
TOTAL REVENUES	\$ 16,883,733	TOTAL EXPENDITURES	\$ 17,483,381	TOTAL REVENUES	\$ 16,883,733	TOTAL EXPENDITURES	\$ 17,483,381

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.F.3.

SUBJECT

Discuss and consider ratification of property tax increase reflected in FY2021–2022 Adopted Budget

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

At this time, the Council will consider ratifying the FY21-22 Property Tax Increase reflected in the adopted FY21-22 Budget for the City of Kennedale.

Though this tax rate is one cent less than last year's rate, it is still considered a tax increase as it exceeds the no-new-revenue rate calculation of \$0.756350 (due to growth in valuation and/or new properties being added to the tax roll).

According to Chapter 102, Municipal Budget, of the Local Government Code (LGC), a municipal budget shall be prepared to cover the proposed expenditures of the municipal government for the succeeding year. In addition to the adoption of a budget, should that budget require raising more revenue from property taxes than in the previous year, the governing body must conduct a separate vote to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

RECOMMENDATION

Approve

This should be approved by a separate motion, immediately after approval of the budget. Required wording for a motion by a governing body to ratify a property tax increase in an approved budget:

I MOVE TO RATIFY THE PROPERTY TAX INCREASE REFLECTED IN THE FY21–22 ADOPTED BUDGET.

ATTACHMENTS

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.F.4.

SUBJECT

Discuss and consider approval of an Ordinance, fixing and levying municipal Ad Valorem Taxes for the City of Kennedale, Texas, for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

At this time, the Council will consider adoption of an Ordinance fixing and levying FY21-22 ad valorem (property) taxes for the City of Kennedale.

According to the Texas Constitution and Property Tax Code, which both embody the concept of truth-in-taxation, a municipality is required to comply with certain steps in adopting their tax rate in an effort to make taxpayers aware of tax rate proposals and allow taxpayers, in certain cases, voter approval or limit a tax increase. A vote to set the tax rate required by Chapter 26, Tax Code, is in addition to and separate from the vote to adopt the budget. According to Section 5.05 of the Texas Tax Code, the taxing unit must vote to place a proposal to adopt the proposed tax rate as an action item on the agenda of a future meeting when a proposed rate exceeds the voter approval rate or the no new revenue rate, whichever is lower, and hold a public hearing prior to consideration of adoption.

During a Regular Meeting on Tuesday, August 17, 2021, the Council approved the placement of an item to consider adoption of a tax rate which will exceed the lower of the voter-approval rate or the no-new-revenue tax rate on the agenda for the Tuesday, September 21, 2021 Regular Meeting. Furthermore, the Council scheduled a public hearing on the proposal to occur on Wednesday, September 15, at 5:30 p.m., at which time taxpayers were given an opportunity to express their views on the proposed FY21-22 tax rate. This date was published in the *Fort Worth Star-Telegram* (the City's newspaper of record) on September 3, 2021. The City Manager's FY21-22 Budget Proposal (presented during the August 10, 2021 special meeting) was based on a FY21-22 Tax Rate of \$0.774085 (the same rate as FY20-21). The budget presented on this agenda for consideration, however, is supported by a tax rate of one cent less (\$0.764085). Though this tax rate is one cent less, it is still considered a tax increase as it exceeds the no-new-revenue rate calculation of \$0.756350 (due to growth in valuation and/or new properties being added to the tax roll).

Should the FY21-22 Budget adopted by Council require raising more revenue from property taxes than in the previous year, the governing body must conduct a separate vote to ratify the property tax increase reflected in the budget (the item immediately preceding this agenda item). Action can now be taken by Council at tonight's meeting (Tuesday, September 21, 2021) on the FY21-22 Budget and Tax Rate.

RECOMMENDATION

Approve

Must be a **RECORD** vote. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the no-new-revenue tax rate **must be made in the following form**. Choose the appropriate motion:

RECOMMENDED TAX RATE REFLECTED IN THE PROPOSED FY20-21 BUDGET: "I move that the property tax rate be increased by the adoption of a tax rate of \$0.764085, which is effectively a 0.59 % increase in the tax rate."

OTHER RATE: "I move that the property tax rate be increased by the adoption of a tax rate of (SPECIFY TAX RATE), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax

rate) % increase in the tax rate."

ATTACHMENTS

1.	O733 Tax Rate Adoption 2021	O733 Tax Rate Adoption 2021.pdf
----	-----------------------------	---------------------------------

ORDINANCE NO. 733

AN ORDINANCE FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE CITY OF KENNEDALE, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; DIRECTING THE ASSESSMENT AND COLLECTION THEREOF; PROVIDING FOR THE APPROVAL OF THE TAX ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE CLAUSE.

WHEREAS, the City Council has approved on the 21st day of September 2021, the budget for the fiscal year beginning October 1, 2021, and ending September 30, 2022; and

WHEREAS, the City Council of the City of Kennedale, Texas, hereby finds that a tax at the rate set forth below for the fiscal year beginning October 1, 2021, and ending September 30, 2022, must be levied to provide the revenue requirements of the budget for the ensuing year; and

WHEREAS, the City Council desires to approve the official tax roll of the City which is calculated based upon the adopted tax rate; and

WHEREAS, all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been completed in due and correct time, including providing notice of and conducting public hearings regarding the ad valorem tax levied hereby.

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

SECTION 1.

For the current expense of the City of Kennedale and for the general improvements of the City and its property, there is hereby levied and ordered to be assessed and collected for the fiscal year beginning October 1, 2021, and ending September 30, 2022, and for each fiscal year thereafter until it be otherwise provided and ordained, on all property situated within the corporate limits of the City of Kennedale, and not exempt from taxation by valid laws, an ad valorem tax rate of **\$0.764085** cents on each One Hundred Dollars (\$100.00) of valuation of such property, to be assessed as follows:

\$0.572949	FOR THE PURPOSE OF MAINTENANCE AND OPERATION
\$0.191136	FOR THE PURPOSE OF INTEREST AND SINKING
\$0.764085	TOTAL TAX RATE

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.59 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-9.74.

SECTION 2.

The taxes herein are levied according to law and shall be due and payable on October 1, 2021, and the same shall become delinquent on February 1, 2022. Should any taxpayer fail to make payment before the date of delinquency, a penalty and interest as provided by law shall be assessed until the unpaid taxes and penalty have been satisfied.

SECTION 3.

Pursuant to the authority granted by Section 33.07 of the Texas Tax Code, in the event that the taxes become delinquent on or after February 1, 2022, but not later than May 1, 2022, and that remain delinquent on July 1, 2022, and in the event such delinquent taxes are referred to an attorney for collection, an additional amount of twenty percent (20%) of the total amount of tax, penalty and interest then due shall be added as collection costs to be paid by the taxpayer.

SECTION 4.

Pursuant to the authority granted by Section 33.08 of the Texas Tax Code, the City further provides that all taxes that become delinquent on or after June 1, 2022, shall, in order to defray the costs of collection, incur an additional penalty in the amount of twenty percent (20%) of the delinquent tax, penalty and interest.

SECTION 5.

The tax roll for tax year 2021 for the City of Kennedale, Texas, is hereby approved.

SECTION 6.

In the event any section, subsection, clause, sentence, or phrase of this ordinance shall be declared or adjudged invalid or unconstitutional, such adjudication shall in no means affect any other section, subsection, clause sentence, or phrase of this ordinance, but all the rest thereof shall be in full force and effect just as though the section, subsection, sentence, clause or phrase so declared or adjudged invalid or unconstitutional was not originally a part thereof.

SECTION 7.

This ordinance shall be in full force and effect from and after its passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
KENNE DALE, TEXAS, THIS THE 21ST DAY OF SEPTEMBER 2021.**

APPROVED:

ATTEST:

MAYOR LINDA RHODES
[CITY SEAL]

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY DREW LARKIN

MEETING DATE: SEPTEMBER 21, 2021

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.F.5.

SUBJECT

Discuss and consider approval of a three-year renewal of M&R Janitorial Services contract

ORIGINATED BY

Leslie E. Galloway, Interim City Manager

SUMMARY

Since 2009, the City of Kennedale has contracted for custodial services with M&R Janitorial Services (a locally-owned company) for cleaning and supplies for various city buildings including the City Hall, Police Department, Library/Community Center, and Senior Citizen Center. The current contract ends September 30, 2021; and the attached agreement would extend this contract by a three-year term (through September 2024), with no price increase.

The proposed and recommended contract is for a three year period in the amount of \$35,388 per year plus additional services that may increase the total to \$42,683 annually depending on the additional services required. The contract provides that M&R will provide all equipment and supplies for performing the services as identified in the contract.

The quality and dependability of service consistently provided by M&R has been superior and — given additional administrative costs that might be incurred with the engagement of part-time employees — staff believes the proposed service by M&R is quite cost effective and recommends approval by the City Council.

RECOMMENDATION

Approve

ATTACHMENTS

1.	CONTRACT FOR JANITORIAL SERVICES	CONTRACT FOR JANITORIAL SERVICES.docx
----	----------------------------------	---------------------------------------

CONTRACT FOR JANITORIAL SERVICES:

M&R Quality Janitorial AND the City of Kennedale, Texas

ARTICLE I. Identification of Parties

This Agreement, effective the 1st day of October 2021, is entered into by and between M&R Quality Janitorial Services (hereinafter referred to as “Contractor”), and the City of Kennedale (hereinafter referred to as “City”). The purpose of this Agreement is to have the Contractor provide the services identified in Article II.

ARTICLE II. Services to be Rendered

A. The Contractor agrees to perform janitorial services at the following City Facilities: City Hall, Senior Citizen Center, Police Department, and Library and Community Center. The contractor shall provide all supervision, personnel, equipment, tools, materials, transportation, and other items necessary to perform such janitorial services. Janitorial service applies to all designated spaces, including, but not limited to, halls, restrooms, offices, work areas, entranceways, lobbies, common areas, and storage room areas. All cleaning procedures and treatments shall be accomplished in accordance with the manufacturer’s directions and/or listed specifications and industry standards applicable to the Professional Cleaning and Restoration Industry. The standard of care for all services performed or furnished by Contractor under this Agreement will be the care and skill ordinarily used by members of Contractor’s profession practicing under similar circumstances in the same locality.

B. Services:

1. Clean Entry Doors and glass, inside and outside
2. Clean Entrance Mats, Sweep Inside and Outside entrance areas
3. Clean and disinfect all partitions and stalls
4. Clean and disinfect restrooms and replace all supplies
5. Sweep landings adjacent to entrances and exits to maintain a clean and favorable appearance
6. Clean all countertops and public use areas
7. Clean and disinfect all kitchen areas, wash dishes and load into dishwasher
8. Clean, disinfect, and polish mirrors and metal surfaces in restrooms, sinks, water fountains
9. Clean inside and outside of microwave units
10. Damp wipe and disinfect when necessary refrigerator, coke machines, chairs, ice machine, coffee pots and all other appliances
11. Clean and disinfect all table units and chairs
12. Clean Council Chambers tables and dais area
13. Empty Trash receptacles, change liners, and wipe down walls behind receptacles
14. Remove stains from floors when necessary

15. Wet mop and disinfect all floors
 16. Vacuum all carpeted floors
 17. Vacuum Floor Mats
 18. Remove and clean restroom mats under urinals, and wet mop under mats
 19. Mop floors due to inclement weather, when requested
 20. Organize tables in public areas, waiting rooms
 21. Clean all conference tables, Council table, and office furniture
 22. Dust office equipment and furniture
 23. Dust mop hard surface floors with treated mop
- C. Services listed above are to be provided between 5:00 p.m. and 7:00 p.m. on the following days of the week: City Hall – Tuesday and Friday; Senior Citizen Center – Monday, Wednesday, Friday; Police Department – Monday, Wednesday, Friday; Library and Community Center – Monday, Wednesday, Friday. Scheduling conflicts are possible. Contractor is responsible for not interfering with meetings in progress.
- D. In addition, Contractor shall provide the following Additional Services on an annual basis:
- City Hall – detail cleaning of the red tile floors twice a year; carpet cleaning in the entire building once a year; strip, wax and buff all tile floors once a year; restore all floors in the building once a year.
- Senior Citizen Center – detail cleaning, stripping, waxing and buffing of the floors twice a year; restoration of the floors four times a year.
- Police Department – detail cleaning, stripping, waxing and buffing for the floors twice a year; restoring the floors four times a year.
- Library and Community Center – detail cleaning of the carpet will be done as needed; all tile floors detail cleaning twice a year.
- D. Contractor agrees to provide all cleaning equipment and cleaning supplies necessary to complete the Services and Additional Services listed above. Storage space is available for Contractor's use in a designated janitorial closet in such City facilities.
- E. The Services and Additional Services listed above shall serve as a checklist for evaluation of janitorial services and the Contractor must provide a signed checklist of services completed in a binder located at all cleaning sites that details the date and crew member that accomplished such Services.
- F. Contractor and all contractor's employees agree to adhere to City's non-smoking policy at all times.

ARTICLE III.
Contractor's Employees

The Contractor and all contractor's employees servicing the City Facilities must provide any documentation requested by the City to prove identity of the Contractor or the contractor's employees and any background checks deemed necessary by the City. The Services and Additional Services are to be performed by one or more specified individuals within Contractor's organization; only the individuals so specified shall perform Services and Additional hereunder and their duties shall not be delegated to any other individual or entity without the written consent of the City.

ARTICLE IV.
Term

- A. The term of this contract is from October 1, 2021 to October 1, 2024 with an option of the City to renew such services for successive three year terms.
- B. In the even this Agreement is renewed, the Contractor may seek an increase in the fees charged under this Agreement by submitting a proposal for increased fees no later than 60 days prior to the end of the then current term. In no even may the fees be increased by more than 5% or the current CPI.

ARTICLE V.
Payment

The City shall pay Contractor the sum of \$2949 dollars per month for the Services, to be paid thirty days after the receipt of an invoice for payment from the Contractor for work performed. City shall pay Contractor as follows for the Additional Services, to be paid thirty days after receipt of an invoice for payment from Contractor for work performed:

City Hall – detail cleaning of the red tile floors twice a year (\$500); carpet cleaning in the entire building once a year (\$375); strip, wax and buff all tile floors once a year (\$425); restore all floors in the building once a year (\$275).

Senior Center – detail cleaning, stripping, waxing and buffing of the floors twice a year (\$875); restoration of the floors four times a year (\$275 each restoration).

Police Department – detail cleaning, stripping, waxing and buffing for the floors twice a year (\$575); restoring the floors four times a year (\$225 each restoration).

Library and Community Center – detail cleaning of the carpet will be done as needed (\$175 for Carpet in Community Center; \$150 for Carpet in Library; all tile floors detail cleaning twice a year.

If City objects to Contractor's invoice, City shall so advise Contractor in writing giving specific reasons. In the event of such dispute, only that portion so contested may be withheld from payment,

and the undisputed portion will be paid. In the event of any termination of this Agreement, Contractor will be entitled to invoice City and will be paid for all Services performed through the effective date of termination.

ARTICLE VI. Miscellaneous

A. Nature of Relationship: The Contractor herein is an independent contractor. The Contractor shall not act as an agent for the City, nor shall it be deemed to be an employee of the City for any purpose whatsoever. The Contractor shall not enter into any agreement or incur any obligations on the City's behalf, or commit the City in any manner without the City's prior written consent.

B. Assignment: Neither City nor Contractor may assign or transfer any rights under or interest in this Agreement without the written consent of the other. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Notices: Any notice required under this Agreement shall be in writing, addressed to the appropriate party at its address on the signature page and given personally, or by registered or certified mail, postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of service.

D. Waiver: Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

E. **INDEMNIFICATION: TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY, ITS OFFICERS, AGENTS, REPRESENTATIVES, AND EMPLOYEES FROM AND AGAINST ANY AND ALL COSTS, LIABILITY AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL REASONABLE EXPENSES AND REASONABLE ATTORNEY'S FEES) CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OF CONTRACTOR, ITS OFFICERS, AGENTS, SERVANTS, EMPLOYEES, INVITEES, AND SUBCONTRACTORS IN THE PERFORMANCE AND FURNISHING OF CONTRACTOR'S SERVICES UNDER THIS AGREEMENT.**

F. Termination: This Agreement may be terminated either party upon ninety (90) days written notice in the event of failure by the other party to perform in accordance with the terms hereof.

G. Amendment: This Agreement constitutes the entire agreement to the parties with respect to the Services to be performed hereunder. No modification or amendment of any of the provisions hereof shall be binding unless in writing, and signed by duly authorized representatives of the parties.

SIGNATURE PAGE

In witness whereof, the parties hereto have caused this Agreement to be executed in duplicate the _____ day of _____, 2021.

CITY OF KENNEDALE, TEXAS

CONTRACTOR

By: _____
Leslie Galloway, Interim City Manager
City of Kennedale
405 Municipal Drive
Kennedale, Texas 76060

By: _____
Ron Francis, Owner
M&R Quality Janitorial Services
1225 Clearbrook Drive
Kennedale, Texas 76060

ATTEST:

Rosie Ericson, Administrative Assistant