



## CITY OF BRADY COUNCIL AGENDA REGULAR CITY COUNCIL MEETING SEPTEMBER 1, 2015 AT 6:00 PM

NOTICE is hereby given of a meeting of the City Council of City of Brady, McCulloch County, State of Texas, to be held at 6:00pm on September 1, 2015, at the Ed Davenport Civic Center located at 200 Country Club Road, Brady, Texas, for the purpose of considering the following items. The City Council of the City of Brady, Texas, reserves the right to meet in closed session on any of the items listed below should the need arise and if applicable pursuant to authorization by Title 5. Chapter 551. of the Texas Government Code.

Tony Groves  
Mayor

Latricia Doyal  
Mayor Pro Tem

Kathy Gloria  
Council Member

Shelly Perkins  
Council Member

Marilyn Gendusa  
Council Member

Jack Turk  
Council Member

Kim Lenoir  
City Manager

Shannon Kackley  
City Attorney

Tina Keys  
City Secretary

Platinum  
Level



Texas Comptroller  
Leadership Circle

### 1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM

### 2. INVOCATION & PLEDGE OF ALLEGIANCE

### 3. APPROVAL OF AUDIT BOARD

### 4. APPROVAL OF MINUTES - August 18, 24, and 25, 2015

### 5. PUBLIC COMMENTS

Public comments are reserved for items NOT listed on the agenda. Please address public comments regarding items ON the agenda under "Individual Concerns" during public comments and discussion of those items. To speak, please fill out notecard and give to City Secretary.

### 6. PUBLIC HEARING AND PRESENTATIONS

#### A. Public Hearing to receive comments on the FY 2015-2016 Budget

### 7. INDIVIDUAL CONCERNS

A. Discussion, consideration, and possible action regarding the first reading of Ordinance No. 1178: An ordinance of the City Council of the City of Brady adopting the Utility Rates and Fee Schedule for City Services

B. Discussion, consideration, and possible action regarding the first reading of Ordinance No. 1179: An ordinance of the City Council of the City of Brady adopting the FY 2016 Budget

C. Discussion, consideration, and possible action regarding the first reading of Ordinance No. 1180: An ordinance of the City Council of the City of Brady adopting the 2015 Tax Rate

D. Discussion, consideration, and possible action regarding second and final reading of Ordinance 1177 to amend Chapter 13 – Utilities Sec. 13.425 to consider special requests from commercial or industrial customers for non-domestic discharges to the city's sewer collection system.

E. Discuss, consider, and act on Resolution 2015-037 to approve the City's Investment Policy and appoint an Investment Committee member for FY16.

## 8. STAFF REPORTS

- A. Sept 4-5-6 – Annual World Championship Goat Cook-off Weekend
- B. Sept 7 – Labor Day – City Offices Closed /Note Trash Schedule changes
- C. September 15 – Second Reading of Budget Ordinance, Tax Rate, Fees

## 9. ANNOUNCEMENTS

Pursuant to the Texas Government Code § 551.0415, City Council Members and City staff may make reports about items of community interest during a meeting of the governing body without having given notice of the report.

Items of community interest include:

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

## 10. EXECUTIVE SESSION

The City Council of the City of Brady will adjourn into Executive Session for the following:

- A. Pursuant to 551.072 (Deliberations about Real Property), the City Council will deliberate the purchase, exchange, lease, or value of real property for city facilities to the extent the deliberation of these items would have a detrimental effect on the position of the City in negotiations with a third party.
- B. Pursuant to Section 551.086 (Deliberations, vote or final action about competitive matters of the public power utility), the City Council will deliberate, vote, or take final action on a competitive matter regarding its electric utility.
- C. Pursuant to Section 551.071 (Consultation with Attorney) the City Council will seek and receive advice from the City Attorney to consider legal issues regarding the City's authority to regulate water supply and groundwater use in the City limits.
- D. Pursuant to Section 551.087 (Economic Development), the City Council will deliberate the offer of a financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective cement plant that the City Council seeks to have locate in or near the City and with which the City Council is conducting economic development negotiations.

11. Open Session Action on Any Executive Session Item listed above, if needed.

## 12. ADJOURNMENT

## 12. ADJOURNMENT

I certify that this is a true and correct copy of the City of Brady City Council Meeting Agenda and that this notice as posted on the designated bulletin board at Brady City Hall, 201 E. Main St., Brady, Texas 76825; a place convenient and readily accessible to the public at all times, and said notice was posted on 8/28/15 by 6:00 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.

Tina Keys, City Secretary

In compliance with the American with Disabilities Act, the City of Brady will provide for reasonable accommodations for persons attending public meetings at City Facilities. Requests for accommodations or interpretive services must be received at least 48 hours prior to the meeting. Please contact the City Secretary at 325-597-2152 or [citysec@bradytx.us](mailto:citysec@bradytx.us).

**Attendance by Other Elected or Appointed Officials:** It is anticipated that members of other governmental bodies, and/or city boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that body, board, commission or committee subject to the Texas Open Meetings Act.

The City Council of the City of Brady reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on this agenda as authorized by the Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.086 (Deliberations, vote or final action about competitive matters of the public power utility), and 551.087 (Economic Development).

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Regular Meeting on Tuesday, August 18, 2015 at 6:00p.m. at the Ed Davenport Civic Center, 200 Country Club Rd., Brady, Texas with Mayor Anthony Groves presiding. Council members present were Marilyn Gendusa, Kathy Gloria and Shelly Perkins. City staff present were City Secretary Tina Keys, City Manager Kim Lenoir, Director of Community Services Peter Lamont, Director of Public Works Steven Miller, Director of Finance Lisa Remini, Police Chief Steve Thomas, City Attorney Shannon Kackley, and Andrew Williams. Jack Turk and Latricia Doyal entered the meeting during the discussion on the public hearing for tax rate. Others in attendance were Eddie Wilson, James Griffin, Neal Ulmer, Joe Whitehead, Annita Ellison, Don Miller, Pat Matula, George Matula, John Cross, Ray Martinez, Lynn Farris, Charles Stokes, Anna Cox, Eddie Cox, Richard Hamingway, Janabeth Hanson, Charles Hanson, Linda Newsom, Lee Reinisch, Jon Chase and Janice Groves.

**1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM**

Mayor Groves called the meeting to order at 6:01 p.m. Roll was then called for Council and a quorum was certified.

**2. INVOCATION & PLEDGE OF ALLEGIANCE**

Council Member Doyal gave the invocation, and the Pledge of Allegiance was recited.

**3. APPROVAL OF AUDIT BOARD**

Council Member Perkins made a motion to approve the audit board. Seconded by Council Member Gloria. All Council Members voted "aye" and none "nay". Motion carried.

**4. APPROVAL OF MINUTES for 8/4/2015**

Council Member Gendusa made a motion to approve. Seconded by Council Member Perkins. All Council Members voted "aye" and none "nay". Motion carried.

**5. PUBLIC COMMENTS**

None

**6. PUBLIC HEARING & PRESENTATIONS**

- A. 1<sup>st</sup> Public Hearing for Proposed FY 2015-2016 Tax Rate public hearing convened at 6:05pm. Lisa Remini presented to council. There were no public comments. Public hearing was closed at 6:13pm.
- B. Wastewater Treatment Plant Replacement Project Update - Trooper Smith, Freese and Nichols, Inc., Engineers discussed progress of the project.

**7. INDIVIDUAL CONCERNS**

- A. Discussion, consideration, and possible action regarding first reading of an Ordinance to amend Chapter 13 – Utilities Sec. 13.425 to consider special requests from commercial or industrial customers for non-domestic discharges to the city's sewer collection system. Steve Miller presented to Council. Council Member Doyal made a motion to approve. Seconded by Council Member Gendusa. All Council Members voted "aye" and none "nay". Motion carried.
- B. Discussion, consideration, and possible action to approve a contract with Lower Colorado River Authority to sell electric substations. Kim Lenoir presented to council. Contract was still under attorney review. No

action will be taken at this time.

- C. Discussion, consideration, and possible action to approve Resolution 2015-034 to call election for November 3, 2015 for the qualified voters of the City to vote on the sale of the electric substations to Lower Colorado River Authority. Some questions were asked by the public that staff agreed to address at the next meeting. No action will be taken at this time. Deadline to call this election is August 24, 2015, 5pm.
- D. Discussion, consideration, and possible action regarding Resolution 2015-035 to finance the purchase of the COPSync system (\$109,573.43). Police Chief Steve Thomas presented to council. Council Member Gendusa made a motion to approve. Seconded by Council Member Gloria. All Council Members voted "aye" and none "nay". Motion carried.
- E. Discussion, consideration, and possible action regarding Resolution 2015-036 for Ol' Houn' Dawgs Booster Club request to close 11<sup>th</sup> street from Parkview Dr. to Wall St. on October 6<sup>th</sup> from 5:00 p.m. to 10:00 p.m. for Homecoming. Peter Lamont presented to Council. Council Member Gendusa made a motion to approve. Seconded by Council Member Doyal. All Council Members voted "aye" and none "nay". Motion carried.
- F. Discussion and consideration, of a visit to the Buzzi Unicem plant in Maryneal, Texas on August 10, 2015. Peter Lamont presented to council. Marilyn Gendusa commented about cleanliness, lack of dust and noise level. Latricia Doyal mentioned about the blue sky void of smoke or dust. Mayor Groves talked about blast charges being used and cleanliness. George Matula spoke on his findings on the Maryneal plant as well as his concerns of unknowns of the proposed plant in Brady. No action was taken.

## 8. STAFF REPORTS

- A. Monthly Financial Reports for July
- B. Monthly Activity Reports – Seniors; Golf; BPD; HOT Events
- C. Draft FY 2016 Budget Available at [www.bradytx.us](http://www.bradytx.us)
- D. August 20 – TPWD awarding Richards & Willie Washington Park grants
- E. August 25 – City Council Work Session for Fee Schedule Revisions, 4pm
- F. August 25 – Second Public Hearings for FY 2015-2016 Tax Rate, 6pm
- G. Sept 1 – Public Hearing; First Reading of Budget Ordinance, Tax Rate, Fees
- H. Sept 4-5-6 – Annual World Championship Goat Cook-off Weekend
- I. Sept 7 – Labor Day – City Offices Closed /Note Trash Schedule changes
- J. September 15 – Second Reading of Budget Ordinance, FY 2015 -2016 Tax Rate, Fees
- K. Second round of letters for CSI inspections have been mailed to area businesses. The CSI inspection determines need for backflow protection.
- L. Kim Lenoir reported the bids that were received and opened August 12 for the renovation project of the Civic Center. A work session for Aug 24 can be set-up for the city council to discuss with KSA the bids and options since the bids are over budget.

## 9. ANNOUNCEMENTS

No announcements

## 10. EXECUTIVE SESSION

Council adjourned into executive session at 8:06 p.m.

- A. Pursuant to 551.072 (Deliberations about Real Property)

- B. Pursuant to Section 551.086 (Deliberations, vote or final action about competitive matters of the public power utility)
- C. Pursuant to Section 551.076 (Deliberation Regarding Security Devices or Security Audits)
- D. Pursuant to Section 551.071 (Consultation with Attorney). The City Council will seek and receive advice from the City Attorney to consider legal issues regarding the city's authority to regulate water supply and groundwater use within the City Limits
- E. Pursuant to Section 551.087 (Economic Development). The City Council will deliberate regarding financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective cement plant that the City Council seeks to have locate in or near the City and with which the City Council is conducting economic development negotiations.
- F. Pursuant to Section 551.074 (Personnel Matters). City Council will meet to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of (and if necessary, seek advice from City Attorney under 551.071):
  - a. City Manager
  - b. Fire Chief
  - c. City Secretary – 4 month review
  - d. Police Chief – personnel issues

Executive Session adjourned at 9:58 p.m.

#### **11. Open Session Action on any Executive Session Item listed above, if needed**

Regular Session reconvened at 9:59 p.m.

No action was taken during or as a result of executive session.

#### **12. ADJOURNMENT**

There being no further business the Mayor adjourned the meeting at 9:59 p.m.

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Mayor Anthony Groves

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

Beer can still be brought into events. Only beer will be sold, no other alcohol. It's a 3 day permit for each event. Council member Gendusa made motion. Seconded by Council Member Doyal. All voted "aye", none "nay". Motion carried.

## 6. STAFF REPORTS

- A. August 25 – Second Public Hearing for proposed FY 2015-2016 Tax Rate, 6pm
- B. Sept 1 – Budget Public Hearing; First Reading of Budget Ordinance, proposed FY 2015-2016 Tax Rate, Fees

### Public Comments

Jim Griffin commented about vacant properties

Gary Ray commented about cement plant contact information on his website.

Lauren Bedwell wants more facts put out to the public on the cement plant.

Regular session recessed at 4:51pm

## 7. EXECUTIVE SESSION

The City Council of the City of Brady went into Executive Session at 4:57pm for the following:

- A. Pursuant to 551.072 (Deliberations about Real Property), the City Council will deliberate the purchase, exchange, lease, or value of real property for city facilities to the extent the deliberation of these items would have a detrimental effect on the position of the City in negotiations with a third party.
- B. Pursuant to Section 551.086 (Deliberations, vote or final action about competitive matters of the public power utility), the City Council will deliberate, vote, or take final action on a competitive matter regarding its electric utility.
- C. Pursuant to Section 551.087 (Economic Development), the City Council will deliberate the offer of a financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective cement plant that the City Council seeks to have locate in or near the City and with which the City Council is conducting economic development negotiations.
- D. Pursuant to Section 551.074 (Personnel Matters) City Council will meet to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of (and if necessary, seek advice from City Attorney under 551.071):
  - a. City Manager
  - b. Fire Chief
  - c. Police Chief

## 8. No Open Session Action taken on any Executive Session Item listed above, if needed.

## 9. ADJOURNMENT

There being no further business the Mayor adjourned the meeting at 5:50 p.m.

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\_\_\_\_\_  
Mayor Anthony Groves

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Regular Meeting on Monday, August 25, 2015 at 4:00p.m. at the Ed Davenport Civic Center, 200 Country Club Rd., Brady, Texas with Mayor Anthony Groves presiding. Council members present were Latricia Doyal, Marilyn Gendusa, and Jack Turk. Shelly Perkins entered the meeting during discussion on purchasing policy at 4:28 p.m. City staff present were City Manager Kim Lenoir, City Secretary Tina Keys, Director of Community Services Peter Lamont, Director of Public Works Steven Miller, Director of Finance Lisa Remini, and golf course manager Mike Solis. Others in attendance were Gary Ray and Steve McNabb with Two Pro. Others who arrived for Public Hearing were Neal Ulmer, George & Kathy Matula, Hank Lee and Joe Whitehead.

#### **1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM**

Mayor Groves called the meeting to order at 4:13 p.m. Roll was then called for Council and a quorum was certified.

#### **2. WORK SESSION with staff to review proposed changes to fee schedule and purchasing policy**

Lisa Remini presented to council on changes to purchasing policy.

Peter Lamont, Steve Miller, Lisa Remini and Kim Lenoir reviewed and discussed the fee schedule with council. Discussions with Two Pro on golf fees was also included.

#### **3. Adjourn Work Session**

Work session recessed at 6:13 p.m. and reconvened at 6:40pm.

#### **4. CALL TO ORDER – Special City Council Meeting at 6:13pm**

#### **5. PUBLIC HEARING**

##### **A. Second Public Hearing for Proposed Tax Rate for FY2015-2016 Budget**

Joe Whitehead asked what cemetery tax would be used for. Peter Lamont explained items planned. No further comments.

Closed public hearing at 6:23pm and took a break before resuming work session.

Work Session continued and was reconvened at 6:40pm.

Work session closed at 7:15p.m.

#### **6. ANNOUNCEMENTS - None**

#### **7. EXECUTIVE SESSION – Not needed**

The City Council of the City of Brady will adjourn into Executive Session for the following:

- A. Pursuant to 551.072 (Deliberations about Real Property), the City Council will deliberate the purchase, exchange, lease, or value of real property for city facilities to the extent the deliberation of these items would have a detrimental effect on the position of the City in negotiations with a third party.
- B. Pursuant to Section 551.086 (Deliberations, vote or final action about competitive matters of the public power utility), the City Council will deliberate, vote, or take final action on a competitive matter regarding its electric utility.
- C. Pursuant to Section 551.087 (Economic Development), the City Council will deliberate the offer of a financial or other incentive or to discuss or deliberate regarding commercial or financial information that the City Council has received from a prospective cement plant that the City Council seeks to have locate in or near the City and with which the City Council is conducting economic development negotiations.

Pursuant to Section 551.074 (Personnel Matters) City Council will meet to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of (and if necessary, seek advice from City Attorney under 551.071): City Manager, Fire Chief, Police Chief

**8. Open Session Action on Any Executive Session Item listed above, if needed.**

**9. ADJOURNMENT**

There being no further business the Mayor adjourned the meeting at 7:15 p.m.

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Mayor Anthony Groves

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Regular Meeting on Monday, August 24, 2015 at 3:00p.m. at the Ed Davenport Civic Center, 200 Country Club Rd., Brady, Texas with Mayor Anthony Groves presiding. Council members present were Marilyn Gendusa, Kathy Gloria, Shelly Perkins, Jack Turk and Kathy Gloria. EDC members present were Lauren Bedwell, Charlotte Harper, Tracy Pitcox, Charles Stokes, Jon Chase and Erin Corbell. City staff present were City Manager Kim Lenoir, City Secretary Tina Keys, Director of Community Services Peter Lamont, Director of Public Works Steven Miller, Director of Finance Lisa Remini, Electric foreman Joe Solis, and Andrew Williams. Others in attendance were Jeff Bedwell, James Stewart, Gary Ray, Mary Bradshaw, Danny Neal, Michelle Derrick.

**1. CALL TO ORDER JOINT WORK SESSION WITH BEDC, ROLL CALL & CERTIFICATION OF A QUORUM**

Mayor Groves called the meeting to order at 3:02 p.m. Roll was then called for Council and a quorum was certified. EDC President Jon Chase called the EDC Meeting together and certified a quorum at 3:05pm.

**2. WORK SESSION with KSA Engineers to evaluate and discuss the bids received for the Civic Center Renovation Project and the City's options were discussed.**

**3. Adjourn Joint Work Session at 4:02 pm**

**4. CALL TO ORDER – Special City Council Meeting**

Meeting was called to order at 4:16 p.m. Invocation was given by Latricia Doyal and the pledge was recited.

**5. INDIVIDUAL CONCERNS**

- A. Discussion, consideration, and possible action regarding the Fact Sheet outlining the sale of the City's electric substations. Kim Lenoir presented to Council. No action was taken.
- B. Discussion, consideration, and possible action to approve a contract with the Lower Colorado River Authority to sell the City's electric substations. Contract is not ready at this point. No action was taken.
- C. Discussion, consideration, and possible action to approve a resolution to call an election for November 3, 2015 for the qualified voters of the City to vote on the sale of the electric substations to the Lower Colorado River Authority. Kim Lenoir presented. Council Member Gendusa made motion. Second by Council Member Doyal. All voted "aye", and none "nay". Motion carried.
- D. Discussion, consideration, and possible action to approve a resolution to call an election for November 3, 2015 for the qualified voters of the City to authorize the City to sell certificates of obligations for the Civic Center Renovation Project to be funded by the BEDC sales tax, if desired. No action is taken. Certificates of Obligation will not be issued as it was not an option that members were willing to consider at this time.
- E. Discussion, consideration, and possible action to authorize the Chamber of Commerce to sell alcohol at the 2015 World Championship Goat Cook-off on September 4<sup>th</sup> from 8 a.m. to the 5<sup>th</sup> until 5 p.m. at Richard Park and at Hogtoberfest on October 9<sup>th</sup> from 7 p.m. to the 11<sup>th</sup> until 5 p.m. at GRW Complex. Erin Corbell presented to Council. TABC requires a letter from property owner. Chamber staff will be TABC certified.

# City Council

## City of Brady, Texas

### Agenda Action Form

AGENDA DATE:	9-1-2015	AGENDA ITEM	6. A
AGENDA SUBJECT:	Public Hearing on proposed FY 16 Budget		
PREPARED BY:	Lisa Remini	Date Submitted:	8-27-2015
EXHIBITS:	Proposed FY 16 Budget Presentation Summary Decision Packet Summary for FY 16 Proposed Ending Fund Balance Compliance Report		
BUDGETARY IMPACT:	Required Expenditure:	\$00.00	
	Amount Budgeted:	\$00.00	
	Appropriation Required:	\$00.00	
CITY MANAGER APPROVAL:			
<b>SUMMARY:</b> <p>This budget will raise more total property taxes than last year's budget by an amount of \$105,304 which is a 14.73% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$477. This budget includes a new cemetery tax levy of 2 cents per \$100 valuation of property.</p> <p>Total Budget after transfers is \$30,284,788.</p> <p>The Budget was reviewed on 4 separate dates during the month of July.      The Budget proposes rate increases for Water, Sewer and Trash services, and penalty fees.      The Budget includes a 3% cost of living raise for full time employees, a certification pay program, and no additional employees.</p> <p>Ending fund balances for all funds are projected to comply with fund balance policy requirements.</p>			

RECOMMENDED ACTION:
Open Public Hearing (announce the time for recording) Allow for public input Close the Public Hearing (announce the time for recording)

CITY OF BRADY  
FY 2016 BUDGET PRESENTATION 8-4-2015

THE PROPOSED BUDGET IF ADOPTED WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY **\$57,650 OR 8.06%**. OF THAT AMOUNT, **\$477** IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE ROLL THIS YEAR.

- 2 CENT INCREASE, OR \$19.99 MORE ON A HOME VALUED AT \$100,000

THIS BUDGET PROPOSES TO RAISE ADDITIONAL TAXES IN THE AMOUNT OF **\$47,605** FOR CEMETERY MAINTENANCE AT 2 CENTS PER \$100 PROPERTY VALUE

- \$19.99 ON A \$100,000 HOME

THE TOTAL BALANCED 2016 BUDGET WHICH INCLUDES ALL OPERATING EXPENSES , REQUIRED TRANSFERS, AND CAPITAL FUNDS TOTALS \$30,284,788 AND IS \$5.3M, OR 22% MORE THAN LAST YEAR'S BUDGET.

- THE DW, CW PROJECTS AND CIVIC CENTER TOTALING \$4.9M CONTRIBUTE PRIMARILY TO THIS FACT.
- WITH THE EXCLUSION OF THESE 3 PROJECTS, THE FY16 BUDGET IS ONLY \$465K, OR 1.8% MORE THAN FY15 BUDGET.
- PROCEEDS FROM GRANTS AND BELOW MARKET RATE LOANS FROM THE TWDB IN THE AMOUNT OF \$3.8M ALONG WITH UTILIZING \$1.5M IN EXCESS RESERVE FUNDS PLUS NEW PROPERTY TAX IN THE AMOUNT OF \$57.6K FULLY SUPPORT THE INCREASE TO THE BUDGET.

ENDING FUND BALANCES ARE PROJECTED TO BE IN COMPLIANCE WITH FUND BALANCE POLICY LEVEL REQUIREMENTS.

THE PROPOSED BUDGET INCLUDES RATE INCREASES FOR SEWER SERVICES, WATER SERVICES, LANDFILL SERVICES AND PENALTY FEES.

PRIMARY DRIVERS FOR THE RATE INCREASES ARE THE SIGNIFICANT CAPITAL OUTLAY COSTS ASSOCIATED WITH THE WATER AND SEWER SYSTEM PROJECTS, AND INCREASED EQUIPMENT COSTS ASSOCIATED WITH RUNNING THE LANDFILL.

**SEWER:**

- RES: INCREASE METER FEE BY \$1.00 PER MONTH AND INCREASE THE RATE PER 1,000 GALLONS BY 25 CENTS.
- AT 5,000 GALLONS PER MONTH, THE RESIDENTIAL CUSTOMER WILL PAY \$27.00 MORE PER YEAR.
- CML: INCREASE METER FEE BY \$3 PER MONTH AND INCREASE THE RATE PER 1,000 GALLONS BY 50 CENTS.
- PROJECTED TO GENERATE \$88,000

**WATER:**

- INCREASE METER FEE BY \$1.00 AND INCREASE THE RATE UP TO 50,000 GALLONS BY 30 CENTS. 50,001 to 100,000 GALLONS BY 55 CENTS, AND OVER 100,000 GALLONS BY 60 CENTS
- AT 5,000 GALLONS PER MONTH, THE RESIDENTIAL CUSTOMER WILL PAY \$42.00 MORE PER YEAR.
- PROJECTED TO GENERATE \$124,000

**LANDFILL**

**DUMPING FEE:**

- INCREASING RATE PER TON FOR INSIDE CITY LIMITS RESIDENTS BY \$8.50. (\$13.50 TO \$22.00 )
- PROJECTED TO GENERATE \$48,450

**COMMERCIAL DUMPSTER:**

- INCREASE MONTHLY FEE BY \$6 TO \$60 PER MONTH ONE DUMPSTER 2 PUS PER WEEK
- PROJECTED TO GENERATE \$15,000

**CITY OF BRADY  
FY 2016 BUDGET PRESENTATION**

**PENALTY FEE ON ALL BILLS PASTDUE:**

- INCREASING FEE TO 10% FROM 5%

**THIS BUDGET DOES NOT PROPOSE ANY NEW POSITIONS.**

- IT DOES INCLUDE THE NEW 3% STEP PLAN WAGE INCREASE FOR ALL FULL-TIME EMPLOYEES AND CONTINUES THE CERTIFICATION PAY PROGRAM.
- THE BUDGET INCLUDES A 24% OR \$170,000 INCREASE IN MEDICAL INSURANCE COSTS FOR FULL-TIME EMPLOYEES.
- OVERALL, TOTAL PERSONNEL COSTS REPRESENTS 22% OF THE CITY BUDGET.

**MAJOR PROJECTS PROPOSED IN THE FY 2016 BUDGET ARE:**

- REFER TO THE SUPPLEMENTAL DECISION PACKET SUMMARY

**SUPPLEMENTAL DECISION PACKAGE**  
**SUMMARY OF SELECTED DECISIONS BY PRIORITY**

Account Number	Line Item / Priority / Description	Page No.	Requesting Division	Program Cost	Program Status		
					Not Approved	Approved	Requirements
<b>FINAL PROPOSED</b>							
10-5-13-401.00	Civic Center Remodel	66	Administrative Svcs	1,100,000		1,100,000	excess funds
80-4-47-625.00	Cemetery Tax levy	1	Administrative Svcs	(114,000)		(43,000)	2 cents / \$100
80-5-47-324.00	Cemetery maintenance		Administrative Svcs	114,000		43,000	
<b>GENERAL FUND (10)</b>							
10-5-29-402.00	1 New F-350 2016 Ambulance with Cot	27	EMS	179,000		36,300	finance
10-5-08-402.00	2 Purchase 3 Police Patrol Vehicles	17	Police	91,755		23,100	finance
	3 Add Police Patrol Officer	18	Police	45,947	45,947		
	4 Add 1 employee to Fire/EMS	16	Fire	64,101	64,101		
10-5-01-306.00	5 Replacement of City Hall Roof	2	Administrative Svcs	165,000	165,000		
10-5-12-402.00	6 3/4 ton Crew Cab Work Truck	22	Streets	41,000		8,325	finance
10-5-12-213.00	7 Annual chip seal of city streets	23	Streets	65,000		65,000	
10-5-12-402.00	8 Grader / Maintainer Motor Grader	24	Streets	83,000	83,000		
10-5-12-402.00	9 84" Drum Roller	25	Streets	90,000		18,450	finance
	10 Assistant Finance Officer	35	Finance	57,026	57,026		
10-5-44-234.00	11 CAFR - Certified Annual Report	36	Finance	12,600	12,600		
10-5-45-232.00	12 INCODE Building Project Module	37	Code Enforcement	11,188		11,188	
	13 Remodel Activity Center	20	Community Svcs	175,000		25,000	County 50,000
10-5-06-402.00	14 Automated Chemical System for Pool	14	Pool	10,000		10,000	
10-5-2-403.00	15 Airport maintenance project	5	Airport	100,000	50,000	25,000	50% Grant
10-5-11-203.00	16 Update of Parks, Recreation Master Plan	21	Community Svcs	15,000	15,000		
10-5-03-308.00	17 Repairs on Backhoe	6	PPM	2,000		2,000	
	18 Purchase of Tree Shears	7	PPM	7,000		7,000	
10-5-03-312.00	19 Security camera system for 2 Parks	8	PPM	2,225		2,225	
10-5-32-312.00	20 Install 50 amp service to RV Space	28	Lake	25,000		25,000	
	21 Part-time employee at Brady Lake Park	29	Lake	10,421	10,421		
10-5-32-312.00	22 Install Concrete RV Pads	30	Lake	20,000	20,000		
10-5-32-306.00	23 Remodel Brady Lake Store	31	Lake	7,500		7,500	
10-5-32-312.00	24 Install an RV Dump Station	32	Lake	3,000	310	2,690	
10-5-32-312.00	25 Security camera system for Lake	33	Lake	2,955		2,955	
10-5-01-213.00	26 Employee for clean-up program	3	Administrative Svcs	25,000	25,000		
10-5-05-312.00	27 Security camera system for Golf	10	Golf	2,955		2,955	
	28 Full time Pro Shop Employee	11	Golf	44,872	44,872		
10-5-05-402.00	29 Super 104 Hyder-Drive Mower	12	Golf	19,880	19,880		
10-5-06-312.00	30 Security camera system for Pool	15	Pool	1,113		1,113	
10-5-05-203.01	31 Advertising for Golf Course	13	Golf	5,000		5,000	
10-5-32-203.10	32 Increase Advertising for Brady Lake	34	Lake	1,000	1,000		
10-5-09-402.00	33 Purchase and install Generator for EOC	19	EOC	50,000	50,000		
10-5-12-401.00	34 Ballou Street R.O.W. Improvement	26	Streets	240,000	240,000		
	35 Replace 1995 model one ton truck	9	PPM	31,500	31,500		
10-5-01-213.00	36 Professional Consultant for annexation Plan	4	Administrative Svcs	25,000	25,000		
				\$ 1,732,039	\$ 960,657	\$ 280,801	\$ -

**SUPPLEMENTAL DECISION PACKAGE**  
**SUMMARY OF SELECTED DECISIONS BY PRIORITY**

Account Number	Line Item / Priority / Description	Page No.	Requesting Division	Program Cost	Program Status						
					Not Approved	Approved	Requirements				
<b>FINAL PROPOSED</b>											
<b>SEWER AND ELECTRIC FUND (20)</b>											
20-5-22-401.00	1 TXDOT N. Bridge Project-Engineering	38	Electric	65,215		13,043	80% Grant				
20-5-22-401.00	2 LCRA Project No 2	39	Electric	212,300	Approve		Funding TBD				
20-5-22-401.00	3 N Substation Breaker Yard Improvement	40	Electric	88,000	Approve		Funding TBD				
20-5-22-301.02	4 Crew Training	41	Electric	2,700		2,700					
20-5-22-401.00	5 LCRA Project No 5	42	Electric	16,060	Approve		Funding TBD				
20-5-22-401.00	6 LCRA Project No 6	43	Electric	17,050	Approve		Funding TBD				
20-5-22-401.00	7 LCRA Project No 7	44	Electric	12,870	Approve		Funding TBD				
20-5-22-402.00	8 Replace Truck Cab for Hole Auger Rig #475	45	Electric	50,000		10,350	finance				
				<b>\$ 464,195</b>	<b>\$ -</b>	<b>\$ 26,093</b>	<b>\$ -</b>				
<b>WATER FUND (30)</b>											
30-5-31-401.00	1 Geographical Information System	46	W/ WW Dist	10,000		10,000					
30-5-31-401.00	2 TXDOT N. Bridge St Project-Engineering	47	W/ WW Dist	65,215		13,043	80% Grant				
30-5-31-301.02	3 New W/WW 3-person Crew	48	W/ WW Dist	269,810	269,810						
30-5-31-402.00	4 Crew Training	49	W/ WW Dist	2,150		2,150					
	5 New Development at 17th & Old Nine Rd	50	W/ WW Dist	50,000		50,000					
				<b>\$ 397,175</b>	<b>\$ 269,810</b>	<b>\$ 75,193</b>	<b>\$ -</b>				
<b>GAS FUND (40)</b>											
40-5-42-232.00	1 Geographical Information System - City Web Hosting	51	Gas	5,600		5,600					
40-5-42-401.00	2 TXDOT N. Bridge St Project-Engineering	52	Gas	65,215		13,043	80% Grant				
40-5-42-401.00	3 87 S / Lynn Gavit Gas Line Improvement	53	Gas	105,000		105,000					
40-5-42-203.00	4 Professional Engineering Services	54	Gas	25,000		25,000					
40-5-42-203.00	5 Replace Regulators and Relief Valves	55	Gas	10,000		10,000					
40-5-42-402.00	6 Mini-Trac Excavator - New	56	Gas	34,000		7,100	finance				
				<b>\$ 244,815</b>	<b>\$ -</b>	<b>\$ 165,743</b>	<b>\$ -</b>				
<b>UTILITY SUPPORT FUND (50)</b>											
50-5-50-232.00	1 Basic Recurring Redesign of the City's Website	57	Utility Support	25,000		25,000					
50-5-50-554.00	2 Tyler Content Manager Standard - Paperless office	58	Utility Support	36,884		36,884					
50-5-50-554.00	3 Additional Security Camera System - Service Center	59	Utility Support	3,338		3,338					
50-5-50-554.00	4 Replace Security Camera system - City Hall	60	Utility Support	2,955		2,955					
				<b>\$ 68,177</b>	<b>\$ -</b>	<b>\$ 68,177</b>	<b>\$ -</b>				
<b>SANITATION FUND (60)</b>											
60-5-14-402.00	1 New Residential rear loader trash truck	61	Solid Waste	170,000		28,350	finance				
60-5-18-402.00	1 Part-time labor / equipment for street sweeping work	62	Street Sanitation	80,320		Approve with	Dedicated funds				
				<b>\$ 250,320</b>	<b>\$ -</b>	<b>\$ 28,350</b>	<b>\$ -</b>				
<b>SPECIAL REVENUE FUND (80)</b>											
80-5-16-309.00	1 Dishwasher	63	Senior Citizens	4,000		4,000					
80-5-43-672.00	1 Replacement AWOS using AIP funds	64	Airport	165,000		15,000	90% Grant				
80-5-43-674.00	2 Development of Master Plan for Airport	65	Airport	210,000		10,000	90% Grant				
				<b>\$ 379,000</b>	<b>\$ -</b>	<b>\$ 29,000</b>	<b>\$ -</b>				

**TOTAL**      **3,535,721**      **1,230,467**      **673,357**      **-**

**SUPPLEMENTAL DECISION PACKAGE**  
**SUMMARY OF SELECTED DECISIONS BY PRIORITY**

Account Number	Line Item / Priority / Description	Page No.	Requesting Division	Program Cost	Program Status		
					Not Approved	Approved	Requirements
FINAL PROPOSED							
					<b>TOTAL REVENUES AVAILABLE</b>	<b><u>673,357</u></b>	

## CITY OF BRADY

FY16 BASE BUDGET SUMMARY  
FINAL PROPOSED FUND BALANCES

	TOTAL REVENUES	TOTAL EXPENSES	FUND BALANCE
<b>GENERAL FUND - 10</b>			
			<b>PROPOSED</b>
<b>BEGINNING GENERAL FUND BALANCE</b>			<b>\$2,158,473</b>
2016 Budget	\$4,093,735	\$8,555,500	(\$4,461,765)
Transfer in leiu of taxes from Electric Fund	\$2,574,430		\$2,574,430
Transfer in leiu of taxes from Gas Fund	\$345,634		\$345,634
Administrative fee from Sewer Fund	\$479,842		\$479,842
Administrative fee from Water Fund	\$475,585		\$475,585
Transfer excess reserve funds from Utility Support Fund	\$10,640		\$10,640
Transfer excess reserve funds from Solid Waste Fund	\$200,712		\$200,712
<b>ENDING GENERAL FUND BALANCE</b>			<b>\$1,783,551</b>
Number of days to operating expenditures			92
Total budgeted expenditures		\$8,555,500	
Less budgeted capital expenditures		(\$1,511,755)	
Operating Expenditures		\$7,043,745	
Mimimum level Fund Balance required		\$1,736,814	90 days
<hr/>			
<b>ELECTRIC &amp; SEWER FUND - 20</b>			
<b>BEGINNING ELECTRIC &amp; SEWER FUND BALANCE</b>			<b>\$6,471,427</b>
2016 Budget	\$9,172,862	\$8,291,489	\$881,373
Transfer in leiu of taxes from Electric to General Fund		\$2,574,430	(\$2,574,430)
Administrative Fee from Sewer to General Fund		\$479,842	(\$479,842)
<b>ENDING ELECTRIC &amp; SEWER FUND BALANCE</b>			<b>\$4,298,528</b>
Number of days to operating expenditures			180
Total budgeted expenditures		\$11,345,761	
Less budgeted capital expenditures		(\$2,637,064)	
Operating Expenditures		\$8,708,697	
Mimimum level Fund Balance required		\$4,294,700	180 days
<hr/>			
<b>WATER FUND - 30</b>			
<b>BEGINNING WATER FUND BALANCE</b>			<b>\$3,050,635</b>
2016 Budget	\$1,929,672	\$3,394,587	(\$1,464,915)
Administrative fee to General Fund		\$475,585	(\$475,585)
<b>ENDING WATER FUND BALANCE</b>			<b>\$1,110,135</b>
Number of days to operating expenditures			209
Total budgeted expenditures		\$3,870,172	
Less budgeted capital expenditures		(\$1,929,715)	
Operating Expenditures		\$1,940,457	
Mimimum level Fund Balance required		\$956,938	180 days

## CITY OF BRADY

## FY16 BASE BUDGET SUMMARY

## FINAL PROPOSED FUND BALANCES

TOTAL REVENUES	TOTAL EXPENSES	FUND BALANCE
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## GAS FUND - 40

BEGINNING GAS FUND BALANCE			\$1,286,887
2016 Budget	\$1,531,122	\$1,251,142	\$279,980
Transfer in lieu of taxes to General Fund		\$345,634	(\$345,634)
Transfer to Special Revenue Fund		\$390,247	(\$390,247)
ENDING GAS FUND BALANCE			\$830,986

Number of days to operating expenditures 190

Total budgeted expenditures	\$1,987,023
Less budgeted capital expenditures	(\$394,815)
Operating Expenditures	\$1,592,208
Minimum level Fund Balance required	\$785,198 180 days

## UTILITY SUPPORT FUND -50

BEGINNING UTILITY SUPPORT FUND BALANCE			\$351,549
2016 Budget	\$271,300	\$506,760	(\$235,460)
Transfer to General Fund excess reserves		\$10,640	(\$10,640)
ENDING UTILITY SUPPORT FUND BALANCE			\$105,449

Number of days to operating expenditures 89

Total budgeted expenditures	\$506,760
Less budgeted capital expenditures	(\$72,524)
Operating Expenditures	\$434,236
Minimum level Fund Balance required	\$107,072 90 days

## SOLID WASTE FUND - 60

BEGINNING SOLID WASTE FUND BALANCE			\$774,163
2016 Budget	\$1,180,000	\$1,223,748	(\$43,748)
Transfer excess reserves from Solid Waste to General Fund	\$0	\$200,712	(\$200,712)
ENDING SOLID WASTE FUND BALANCE			\$529,703

Number of days to operating expenditures 210

Total budgeted expenditures	\$1,223,748
Less budgeted capital expenditures and Street Sanitation exps	(\$302,260)
Operating Expenditures	\$921,488
Minimum level Fund Balance required	\$227,216 90 days

Total Ending Fund Balances \$8,658,352

Number of days to Total Operating Expenditures 153

## CITY OF BRADY

## FY16 BASE BUDGET SUMMARY

## FINAL PROPOSED FUND BALANCES

TOTAL REVENUES	TOTAL EXPENSES	FUND BALANCE
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## SPECIAL REVENUE FUND - 80

BEGINNING SPECIAL REVENUE FUND BALANCE			\$343,188
2016 Budget	\$2,048,682	\$2,584,472	(\$535,790)
Transfer from Gas Fund	\$390,247		\$390,247
ENDING SPECIAL REVENUE FUND BALANCE FULLY RESTRICTED			\$197,645

# City Council

## City of Brady, Texas

### Agenda Action Form

AGENDA DATE:	08/27/2015 AGENDA ITEM 7.A.		
AGENDA SUBJECT:	Discussion, consideration and possible action regarding the first reading of Ordinance No. 1178 adopting the Utility Rates and Fee Schedule for City Services		
PREPARED BY:	Tina Keys	Date Submitted:	8/27/15
EXHIBITS:	Ordinance No. 1178 - Utility Rates and Fee Schedule		
BUDGETARY IMPACT:	Required Expenditure:	\$00.00	
	Amount Budgeted:	\$00.00	
	Appropriation Required:	\$00.00	
CITY MANAGER APPROVAL:			
<b>SUMMARY:</b> City Council held a work session with city staff on August 25 to review the itemized listing of all fees, charges, and utility rates.  Attached is the revised consolidated fee schedule for fees, utility rates and charges by the City of Brady as adopted over the years. City staff and city council review and update annually, if necessary, all city fees and charges.  Items in red are the rates previously adopted with new proposed rates in black.			

<b>RECOMMENDED ACTION:</b> Move to approve first reading of Ordinance No. 1178
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**ORDINANCE NO. 1178**

**AN ORDINANCE OF THE CITY OF BRADY, TEXAS, UPDATING ORDINANCE NUMBER 1134, A SCHEDULE OF FEES, FOR THE ADMINISTRATION OF UTILITY RATES, PROGRAMS, REGULATIONS, AND OTHER OPERATIONS OF THE CITY; UPDATING THOSE FEES; AND PROVIDING A SEVERANCE CLAUSE.**

**WHEREAS**, the City of Brady, Texas (hereinafter the "City") has established numerous fees for the administration of programs and regulations by the City; and

**WHEREAS**, it is often appropriate and equitable for the individuals and businesses that use particular city services to bear the cost of providing those services; and

**WHEREAS**, many of those fees have become obsolete and no longer even approximate the cost to the city of providing those services; and

**WHEREAS**, appropriate fees will encourage the judicious use of city resources in light of the cost to the public of using those resources and the need for the benefit provided by those resources; and

**WHEREAS**, it is necessary to update the existing fee schedule on an as needed basis to keep the public up to date on applicable fees for a particular service, and

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

That the Fee Schedule attached hereto as "Exhibit A" to this Ordinance is hereby adopted.

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

**PASSED, APPROVED** by the City Council of the City of Brady, Texas, on FIRST READING at a regular meeting held on this the 1<sup>st</sup> day of September, 2015.

**PASSED, APPROVED, and ADOPTED** by the City Council of the City of Brady, Texas, on SECOND READING at a regular meeting held on this the 15th day of September, 2015.

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Mayor

ATTEST:

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City Secretary

CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**NOTE: Items in *RED* are Current Fees or Corrections/Additions/Deletions to the Fee Schedule**

## COMMUNITY SERVICES

### BRADY LAKE

#### Camping Fees

RV Spaces	\$25 per day - full hookups
	\$150 per week
	\$350 per month ( <i>maximum 6 months</i> )
(with tent set up)	Add \$ 10 per day
RV Spaces	\$20 per day - electric only
RV Rental ( <i>City-owned</i> )	\$40 per day
	\$30 per day (October 1st thru March 1st)
Cabanas	\$20 per day ( <i>maximum 14 days</i> )
	\$15 per day (October 1st thru March 1st)
(with tent set up)	Add \$ 10 per day
(with RV set up)	Add \$ 25 per day
Cabin	\$40 per day ( <i>maximum 14 days</i> )
	\$30 per day (October 1st thru March 1st)
(with tent set up)	Add \$ 10 per day
(with RV set up)	Add \$ 25 per day
Tent Camping	\$10 per day ( <i>maximum 14 days</i> )
Primitive Camping	\$5 per day ( <i>maximum 14 days</i> )

#### Pavilion Reservation (1 year advanced)

Available 6:00 a.m. to 11:00 p.m. only

Pavilion Rental	\$50 per day / \$50 deposit
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#### Marina Use

Use of Marina	\$3 per person per day (adults)
	\$2 per person per day (children)

#### Lake House (3 month maximum reservation)

Lake House Rental	\$150 per night (2 night minimum)
Deposit	\$100
(6 person maximum)	
(NO pets)	
Lake House Grounds Rental	\$200 per day
Deposit	\$100

#### Shooting Range

Use of Range	\$5 per person / per day
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#### Lake Lot Leases

Dodge Heights Addition	\$1,200 per year	<i>(\$300)</i>
Davee Addition	\$1,200 per year	<i>(\$300)</i>

CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**RICHARDS PARK**

with electric and/or water hookups

**Camping Fees**

RV spaces	\$20
Tent camping	\$5 per day (maximum 14 days)
Dumping station fee (per vehicle and/or camping shelter)	\$3

**Pavilion Reservation (1 year advanced)**

Available 6:00 a.m. to 11:00 p.m. only

Pavilion Rental	\$50 per day / \$50 deposit
Commercial Use	
Pavilion Rental / Show barn	\$150

Deposit	\$50
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**WILLIE WASHINGTON PARK**

with electric and/or water hookups

**Camping Fees**

RV spaces	\$ 20 per day (maximum 14 days)
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**Pavilion Reservation (1 year advanced)**

Available 6:00 a.m. to 11:00 p.m. only

Pavilion Rental	\$50 per day / \$50 deposit
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**GOLF COURSE (effective Jan. 1, 2016)**

**Green Fees:**

**Annual (due Oct. 1, 2016)**

Single:	\$700.00
Couple:	\$950.00
Trail fee:	\$0.50 add'l each play

**Monthly**

Single:	\$65.00
Couple:	\$80.00
Trail fee:	\$0.50 add'l each play (If renting a shed, no trail fee.)

**Green Fees**

Tuesday thru Thursday	\$15.00 / 18 holes	(\$12.00)
Club Cart Rental: 1/2 cart	\$12.50 + tax	(\$10.00)
Full cart	\$25.00 + tax	
Trail fee for personal cart:	\$4.00	(\$1.00)
Weekend (Fri/Sat/Sun)	\$20.00 / 18 holes	(\$14.00)
Club Cart Rental: 1/2 cart	\$12.50 + tax	(\$10.00)
Full cart	\$25.00 + tax	
Trail fee for personal cart:	\$4.00	(\$1.00)
Non shed member		
Twilight (after 5pm)	\$6.00 / 18 holes	
Club Cart Rental:	\$12.50 + tax	(\$10.00)
Trail fee for personal cart:	\$4.00	(\$1.00)
Youth Green Fees	\$4.00	
Senior (over 75 yr)	\$10.00 / 18 holes (excluding tournaments)	(\$8.00)

CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**GOLF COURSE (cont.)**

**Cart Shed Rental**

Monthly	\$24.00	(\$12.00)
Yearly (Oct. 1, 2016)	\$288.00	(\$144.00)

**Range Balls**

Large	\$5.00
Small	\$3.00

**First Tee Program**

18 years of age and under enrolled in high school	\$45 / yr plus \$1.00/day - Tues thru Friday	(\$35.00)
	\$4.00 green fee Saturday - Sunday	

**Tournament Course Closure Fee**

\$600.00 per day

**AQUATICS CENTER**

**Swimming Fees**

Ages 3 and up	\$3 per day	(\$2.00)
Season Pass	\$60 per person	(\$45.00)
	\$35 each additional family member	

**Private Parties (3 hour maximum)**

up to 50 swimmers	\$100
51 - 100 swimmers	\$150
over 100 swimmers	\$200
Non-refundable deposit	\$50

**CIVIC CENTER**

**Facility Use**

Deposit	\$200
Rental	\$400 per day
Decorating Fee	\$50 (to have access day prior to event)
Lost Key	\$50

**G. ROLLIE WHITE**

**Grandstand, infield arena, restrooms, utilities:**

3 day (Fri/Sat/Sun) weekend	\$475
2 day (Sat/Sun or Fri/Sat) weekend	\$325
1 day (Mon-Thurs) over 4 hours	\$125
1/2 day (Mon-Thurs) up to 4 hours	\$ 75

Day rental of Infield Arena Grounds Only:      \$ 50 per day

Office Area:    \$ 50 per day

Pavilion:    \$100 per day

Horse Stalls:    \$ 15 per day

Show Barn:    \$150 per day

Trailer Spaces (contestants):                            \$ 20 per day

All users security / cleaning deposit (per day or 1/2 day): \$ 50 per day

(25% discount for Not-for-Profit youth service organizations)

(McCulloch County youth organizations with current 501@3 status - No Charge)

CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**CEMETERY FEES**

**Cemetery Plots**

Residents living inside City Limits	\$250
Residents living outside City Limits	\$325
Babyland	\$75

**Grave Opening and Closing**

Weekday Service	\$350
Saturday Service	\$425
Babyland	\$75

**CURTIS FIELD - AIRPORT (Jan. 1, 2016)**

**Fuel**

Price per gallon	Call for current rates
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**Hangar Rental**

Actively flying aircraft

Single engine aircraft	\$70 per month
Multi-engine aircraft	\$150 per month
Aircraft above 8,000 pounds	\$400 per month
Aircraft above 11,000 pounds	\$500 per month
Large aircraft	negotiated

Non Based Aircraft

Single engine aircraft	\$20 per day
Twin engine aircraft	\$40 per day
Turbine aircraft	\$50 per day
Jet aircraft	\$75 per day
Large aircraft over 12,500	\$120 per day

After Hours Call Out Fee	\$15
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CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**BUILDING PERMITS**

**Commercial and Multi-Family construction plan review**

Valuation	Fee
\$1.00 to \$10,000.00	\$50.00
\$10,001 to \$25,000	\$70.69 for the first \$10,000 plus \$5.46 for each additional \$1,000
\$25,001 to \$50,000	\$152.59 for the first \$25,000 plus \$3.94 for each additional \$1,000
\$50,001 to \$100,000	\$251.09 for the first \$50,000 plus \$2.73 for each additional \$1,000
\$100,001 to \$500,000	\$387.59 for the first \$100,000 plus \$2.19 for each additional \$1,000
\$500,001 to \$1,000,000	\$1,263.59 for the first \$500,000 plus \$1.85 for each additional \$1,000
\$1,000,001 and up	\$2,188.59 for the first \$1,000,000 plus \$1.23 for each additional \$1,000

**Single Family Residential construction plan review and inspection**

**Commercial and Multi-Family construction inspection**

Valuation	Fee
\$1.00 to \$10,000.00	\$76.92
\$10,001 to \$25,000	\$108.75 for the first \$10,000 plus \$8.40 for each additional \$1,000
\$25,001 to \$50,000	\$234.75 for the first \$25,000 plus \$6.06 for each additional \$1,000
\$50,001 to \$100,000	\$386.25 for the first \$50,000 plus \$4.20 for each additional \$1,000
\$100,001 to \$500,000	\$596.25 for the first \$100,000 plus \$3.36 for each additional \$1,000
\$500,001 to \$1,000,000	\$1,940.25 for the first \$500,000 plus \$2.85 for each additional \$1,000
\$1,000,001 and up	\$3,365.25 for the first \$1,000,000 plus \$1.89 for each additional \$1,000

\*Valuation is based on construction valuation for project

CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**BUILDING PERMITS**

**Fire Code Plan Review Services (Fire Alarm and/or Sprinkler System)**

Valuation	Fee
\$1.00 to \$250,000	\$500.00
\$250,001 to \$500,000	\$850.00
\$500,001 to \$1,000,000	\$1,100.00
\$1,000,001 to \$3,000,000	\$1,600.00
\$3,000,001 to \$6,000,000	\$2,400.00
\$6,000,001 and up	\$2400.00 for the first \$6,000,000 plus \$0.25 for each additional \$1,000,000

**Fire Code Inspection Services (Fire, Alarm and/or Sprinkler System)**

Valuation	Fee
\$1.00 to \$250,000	\$750.00
\$250,001 to \$500,000	\$1,050.00
\$500,001 to \$1,000,000	\$1,100.00
\$1,000,001 to \$3,000,000	\$1,350.00
\$3,000,001 to \$6,000,000	\$1,900.00
\$6,000,001 and up	\$2,850.00 for the first \$6,000,000 plus \$0.25 for each additional \$1,000,000

**Platting, Zoning and Re-Inspection Fees**

Re-inspection Fee	\$50
Zoning Application Fee	\$200
Zoning Variance Fee	\$200
Filing Fee for Preliminary Plats	\$50
Filing Fee for Final Plats	\$50

<b><u>On-Site Sewage Facility (Septic Tank System) Permit</u></b>	<b>\$200</b>
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CITY OF BRADY  
Proposed Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**MISCELLANEOUS SERVICES**

**Permitting**

Fence Permit	\$75
Demolition Permit, Residential	\$50
Demolition Permit, Commercial	\$150
Swimming Pool In Ground	\$100
Swimming Pool Above Ground (24" deep or deeper)	\$75
Carport	\$75
Accessory Building larger than 150 sq. ft.	\$50
CSI Customer Service Inspection	\$100
Sign Permit (less than 50 sq. ft.)	\$75
Sign Permit ( larger than 50 sq. ft.)	\$125
Seasonal Permit Fee	\$100
Mobile Food Vendor Permit Fee	\$100
Manufactured Home Moving / Relocation	\$200
Clearing and Grading Land	\$40
House Moving	\$200 (\$100.00)
Driveway / Curb Cut	\$40
Street or Alley Closing	\$125
Peddler Permit	\$35 per year
Garage Sale Permit	Free 1 per quarter, 3 continuous day maximum

<b><u>Return Check</u></b>	<b>\$15</b>
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**POLICE**

<b><u>Dog &amp; Cat License</u></b> (good for 3 years from date of issue)	<b>\$3 per dog</b>	<b>\$2 per cat</b>
<b><u>TXDOT Crash Report</u></b>	<b>\$6</b>	
<b><u>Public Records</u></b>	<b>\$4 per page</b>	
<b><u>Dog / Cat picked up</u></b>	<b>\$25</b>	

**FIRE**

**Annual Fire Safety Inspections - Commercial Property - State Law**

Annual Fire Safety Inspection Program setup for City (one-time fee)	\$1,000
Annual Fire Safety Inspection and each re-inspection (per location)	\$150
Annual Fire Safety Foster Home Inspection	\$100

<b><u>Ambulance Permit /Annual</u></b>	<b>\$1,500</b>
<b><u>Ambulance Inspection Fee</u></b>	<b>\$200</b>
<b><u>Fire / EMS Stand-By</u></b>	<b>\$85 per hour</b>
<b><u>Burn Permit</u></b>	<b>\$25 (\$10.00)</b>

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

## PUBLIC SERVICES

### SANITATION FEES

Landfill

Inside City	\$22.00 per ton	(\$13.50)
Outside City	\$31.00 per ton	(\$22.50)

Street Sanitation Fee

\$2.55 per month per utility customer inside city limits
---

Solid Waste Disposal - Monthly Rates

**Commercial Dumpster single container**

Two pickups per week	\$60.00	(\$54.00)
Three pickups per week	\$90.00	(\$81.00)
Four pickups per week	\$120.00	(\$108.00)
Five pickups per week	\$150.00	(\$135.00)
Six pick ups per week	\$180.00	(\$162.00)

**Commercial Dumpster shared container**

Two customers per container		
Two pickups per week	\$30.00	(\$27.00)
Three pickups per week	\$45.00	(\$40.50)
Four pickups per week	\$60.00	(\$54.00)
Five pickups per week	\$75.00	(\$67.50)
Six pick ups per week	\$90.00	(\$81.00)

Three customers per container

Two pickups per week	\$20.00	(\$18.00)
Three pickups per week	\$30.00	(\$27.00)
Four pickups per week	\$40.00	(\$36.00)
Five pickups per week	\$50.00	(\$45.00)
Six pick ups per week	\$60.00	(\$54.00)

Four customers per container

Two pickups per week	\$15.00	(\$13.50)
Three pickups per week	\$22.50	(\$20.50)
Four pickups per week	\$30.00	(\$27.00)
Five pickups per week	\$37.50	(\$33.75)
Six pick ups per week	\$45.00	(\$40.50)

**Residential - one pickup per week**

\$17.00

**Non-Residential - one pickup per week**

\$19.00 (Outside City Limits)

**Commercial Mechanically flipped carts**

\$25.00

**Churches - dumpster collection**

\$30.00

(\$27.75)

**Churches - Mechanically flipped carts**

\$13.00

**Additional 96-gallon cart**

\$5.00 per month

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**SANITATION FEES (cont.)**

**Bulk Trash Pickup**

Classification:

(Load size assessed at time of service requested)

Small load, 6 yds or less	\$75.00 per trip
Large Load, Greater than 6 yds	\$90.00 per trip
Demolition debris, general construction (but excludes concrete, tires, appliances)	\$85.00 per hour

**Brush Chipping**

\$25 minimum for first half hour  
\$20 second half hour  
\$15 Senior Citizens age 65 and older

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

## PUBLIC SERVICES

### METER TAP FEES

	<u>Sewer Tap</u>	<u>Water Meter Size</u>	<u>Water Tap</u>	
<b>Inside City Limits</b>	\$250.00	3/4" meter	\$255.00	*
		1" meter	\$310.00	*
		1-1/2" meter	\$605.00	*
		2" meter	\$790.00	*
		larger than 2" meter	Actual Cost	

Plus meter exchange charge based on the actual cost of the meter installed less the cost of a 3/4" meter. Any installation of water piping exceeding 60 feet will be charged to the customer on a cost basis.

<u>Gas Tap Size</u>	<u>Gas Tap</u>
1" inch	\$245.00
1-1/4" inch	\$245.00
2" inch	\$1,205.00
Larger than 2" inch	Actual Cost

**Outside City Limits:** same as above plus 50% surcharge      (\$250.00 plus 50% surcharge)

\*Street Cut Charge per Tap

Asphalt Cut & Repair	\$500.00
Concrete Cut & Repair	\$900.00

### ELECTRIC - COMMERCIAL FEES

	<u>Transformers,kVA Size/\$</u>	<u>CT Metering Set</u>
	<u>Small Commercial</u>	
15kVA / \$350.00		\$0.00
25kVA / \$500.00		\$0.00
	<u>Large Commercial</u>	
50kVA / \$750.00		\$750.00
100kVA / \$1,000.00		\$1,000.00
Greater than 100kVA	Actual Cost by CoB Electric	Actual Cost by CoB Electric

### UTILITY SERVICE

#### Deposit - Residential

Electric	\$100.00
Water / Sewer / Solid Waste	\$50.00
Gas	\$50.00

#### Temporary Service (not to exceed 10 days)

One utility	\$15.00
Two utilities	\$30.00
Three utilities	\$45.00

#### Utility Payment Late Fee

10%      5%

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**UTILITY SERVICE (cont.)**

**Account Payment History Fee** \$5.00

**Re-Read Fee** \$5.00

**NOTE:** The City of Brady will accept no more than \$2.00 in unrolled coins as a form of payment. The City will accept no more than one roll of coins of any denomination. The customer's name and telephone number must be on each rolled coin jacket to be accepted.

**Transfer Fee**

One utility	\$10.00
Two utilities	\$20.00
Three utilities	\$30.00

**Turn on / off fee** (see *Ordinance No. 1062 Sec. 6E*) \$50.00

**Unscheduled Trip Charge** \$25.00

**Unscheduled Maintenance Fee** \$50.00

**After Hours:**

**Unscheduled Trip Charge** \$35.00

**Unscheduled Maintenance Fee** \$65.00

**Reconnect Fee** \$50.00

**After Hours Reconnet Fee** \$60.00

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**UTILITY SERVICE (cont.)**

**SEWER RATES**

**Monthly Rates - Class A Residential Users**

Customer Base Rate Charge	\$15	(\$14.00)
(\$1.75) \$2.00 per thousand gallons for the average monthly consumption metered to the customer during December, January, and February, adjusted annually every October 1.		

**Monthly Rates - Class B Commercial Users**

Customer Base Rate Charge	\$15	(\$12.00)
(\$2.50) \$3.00 per thousand gallons for water metered to customer during the month being billed, (subject to adjustment for water proved not to enter the sewer).		

In addition to the above volume charges, an Excessive Strength Charge shall be assessed to users who contribute wastewater to the system having a biochemical Oxygen demand in excess of 200mg/1 or total suspended solids of 200 mg/1.

Such charge shall be calculated as provided in Section 2.2 or Ordinance 641 and at a rate of \$0.77 per pound of excess BOD or TSS.

A rate of \$24.50 per month will be assessed a residential account that does not have consumption history for December, January, and February until an average can be established.

Temporary service

Meter Read	\$10
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**GAS SERVICES**

**Relight Pilot Light**

During normal Business Hours 8 a.m. to 5 p.m.	
Citizens over age 60	no charge
Citizens 59 and below	\$15
After 5:00 p.m. or not during normal business hours	
1st time lighting pilot	\$20
2nd time lighting pilot	\$30
3rd time lighting pilot	\$40

**GAS UTILITY RATES**

**Residential Rates:**

Monthly Service Charge	\$8 per meter
Distribution Charge	\$4 per 1000 cu ft (MCF)
plus	
cost of fuel adjustment	

\*The minimum bill shall be \$10 per month

**Commercial Rates:**

Monthly Service Charge	\$8.50 per meter
Distribution Charge	\$4 per 1000 cu ft (MCF)
plus	
cost of fuel adjustment	

\*The minimum bill shall be \$10 per month

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**UTILITY SERVICE (cont.)**

Industrial Rates:

Monthly Service Charge \$150 per meter

Transportation agreement of \$0.724/MCF adjusted every October by the CPI

Cost of Fuel Adjustment:

Equal to the rate charged to the city for all gas purchases times the customer's gas consumption

**ELECTRIC UTILITY RATES**

Residential rates:

Meter Service Charge	\$10.25 per month, plus
Distribution Charge	\$0.0520 per kWh for all kWh per mo, plus
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

Small Commercial:

Meter Service Charge	\$12.25 per month, plus
Distribution Charge	\$0.0430 per kWh for all kWh per mo, plus
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

Large Commercial:

Meter Service Charge	\$22.25 per month, plus
Distribution Charge	\$0.0251 per kWh for all kWh per mo, plus
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs
Demand Charge	\$3.92 per kW, plus
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

Industrial

Meter Service Charge	\$1,000.00 per month for service, plus,
Distribution Charge	\$0.0151 per kWh for all kWh, plus
Demand Charge	\$3.92 per kW, plus
Power Cost Adjustment	A component adjusted monthly based on wholesale power costs

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**UTILITY SERVICE (cont.)**

**WATER USE RATES**

**Inside City Limits**

**Residential**

Customer Meter Charge	\$14.00	(\$13.00)
0 - 10,000 gallons	\$3.50 per 1000 gallons	(\$3.20)
10,001 to 50,000 gallons	\$3.75 per 1000 gallons	(\$3.45)
50,001 to 100,000 gallons	\$4.35 per 1000 gallons	(\$3.80)
over 100,000 gallons	\$4.60 per 1000 gallons	(\$4.00)

**Commercial**

Customer Meter Charge	\$15.00	(\$14.00)
0 - 10,000 gallons	\$3.50 per 1000 gallons	(\$3.20)
10,001 to 50,000 gallons	\$3.75 per 1000 gallons	(\$3.45)
50,001 to 100,000 gallons	\$4.35 per 1000 gallons	(\$3.80)
over 100,000 gallons	\$4.60 per 1000 gallons	(\$4.00)

**Outside City Limits**

**Residential**

Customer Meter Charge	\$14.00	(\$13.00)
0 - 10,000 gallons	\$4.75 per 1000 gallons	(\$4.45)
10,001 to 50,000 gallons	\$5.13 per 1000 gallons	(\$4.83)
50,001 to 100,000 gallons	\$5.78 per 1000 gallons	(\$5.23)
over 100,000 gallons	\$6.05 per 1000 gallons	(\$5.45)

**Commercial**

Customer Meter Charge	\$15.00	(\$14.00)
0 - 10,000 gallons	\$4.75 per 1000 gallons	(\$4.45)
10,001 to 50,000 gallons	\$5.13 per 1000 gallons	(\$4.83)
50,001 to 100,000 gallons	\$5.78 per 1000 gallons	(\$5.23)
over 100,000 gallons	\$6.05 per 1000 gallons	(\$5.45)

Standpipe Rates

\$25.00 per 1,000 gallons

**SECURITY LIGHTS**

**Installation Fees**

On existing City pole	\$50.00
On pole set by City	\$100.00
Plus \$0.50 per foot for wire	

**Monthly Rates**

175 watt	\$15.00
400 watt	\$20.00

CITY OF BRADY  
Utility Rates and Fee Schedule  
Effective Oct. 1, 2015

**UTILITY SERVICE (cont.)**

**METER TAMPERING FEES**

Water:

MXU

Single	\$142.00
Dual	\$162.00

Water Meter

3/4"	\$111.00
1"	\$152.00
1 1/2" R2	\$496.00
2" R2	\$696.00

Meter Cables

Housing Unit

Meter Box

3/4" - 1 1/2"	\$50.00
2" and up	\$560.00

Lid

3/4" - 1 1/2"	\$14.00
2" and up	\$94.00

Plus Labor

\$50.00 per hr

Electric

Cost of Parts	
plus labor	\$50.00 per hr

Gas

Cost of Parts	
plus labor	\$50.00 per hr

Damaged Poly Cart

Solid Waste

Poly Cart	\$70.00
Lid	\$19.00
Wheel	\$5.00

# City Council

## City of Brady, Texas

### Agenda Action Form

AGENDA DATE:	9-01-2015	AGENDA ITEM	7. B
AGENDA SUBJECT:	Discussion, consideration, and possible action regarding the <b>first</b> reading of Ordinance #1179: An ordinance of the City Council of the City of Brady adopting the FY 2016 Budget.		
PREPARED BY:	Lisa Remini	Date Submitted:	8-27-2015
EXHIBITS:	Ordinance #1179		
BUDGETARY IMPACT:	Required Expenditure:	\$00.00	
	Amount Budgeted:	\$00.00	
	Appropriation Required:	\$30,284,788	
CITY MANAGER APPROVAL:			
<b>SUMMARY:</b> <p>This budget will raise more total property taxes than last year's budget by an amount of \$105,304 which is a 14.73% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$477. This budget includes a new cemetery tax levy of 2 cents per \$100 valuation of property.</p> <p>Total Budget after transfers is \$30,284,788.</p> <p>The Budget was reviewed on 4 separate dates during the month of July. The Budget proposes rate increases for Water, Sewer and Trash services, and penalty fees. The Budget includes a 3% cost of living raise for full time employees, a certification pay program, and no additional employees.</p> <p>Ending fund balances for all funds are projected to comply with fund balance policy requirements.</p>			

<b>RECOMMENDED ACTION:</b> <p>Move to approve Ordinance #1179 adopting the FY 2016 Budget as presented and reviewed by City Council, upon <b>first</b> reading.</p>
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**FISCAL YEAR 2016  
BUDGET ORDINANCE**

**ORDINANCE NO: 1179**

**AN ORDINANCE AS PRESCRIBED BY THE HOME RULE CHARTER, CITY OF BRADY,  
ADOPTING A FISCAL YEAR 2016 BUDGET**

**WHEREAS**, the Charter requires formal adoption of an annual budget for operations for the City of Brady; and

**WHEREAS**, the City Manager presented a proposed budget to the City Council on June 30, 2015 per City Charter requirement Section 6.03 and desired amendments by the City Council have been incorporated; and

**WHEREAS**, a general summary of the proposed budget was posted in City Hall, on the city website and published in the official newspaper; and

**WHEREAS**, a public hearing was held on September 1, 2015, in accordance with Charter requirements; and

**WHEREAS**, Section 6.03 of the Home Rule Charter provides that in the event the budget had not been finally adopted by October 1st, the budget and desired amendments as submitted shall be deemed to have been finally adopted by the Council; and

**WHEREAS**, the budget as submitted is hereby deemed adopted on the second and final reading as of September 15, 2015.

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

**SECTION 1:**

That the Fiscal Year 2016 Budget for the City of Brady, Texas, as presented to the City Council on August 4, 2015 with desired amendments is hereby deemed adopted on September 15, 2015, by operation of Section 6.03 of the Home Rule Charter.

**SECTION 2:**

That a copy of the budget be filed with the City Secretary and other officials as designated under article 689A or other applicable state laws.

**SECTION 3:**

That the City Manager be empowered to administer the approved budget and execute purchases and other expenditures in accordance with the Charter and applicable state laws.

**SECTION 4:**

That this ordinance may be published by caption only pursuant to Article 11763-1 Section 1 of the revised Civil Statutes of the State of Texas.

**SECTION 5:**

That this ordinance shall be in force and effective on the 1st day of October 2015, that being more than 15 days after such publication, for the public hearing on the budget, pursuant to Section 6.03 (2) of the Home Rule Charter.

This ordinance was presented at a public hearing held on September 1, 2015 and was formally introduced on the 1<sup>st</sup> day of September, 2015 for the first reading and for passage on the 15th day of September 2015 for the second reading and final reading.

**PASSED AND ADOPTED** this 15<sup>th</sup> day of September, 2015.

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Anthony Groves, Mayor

ATTEST: \_\_\_\_\_  
Tina Keys, City Secretary

# City Council

## City of Brady, Texas

### Agenda Action Form

AGENDA DATE:	9-1-2015	AGENDA ITEM	7. C																		
AGENDA SUBJECT:	Discussion, consideration, and possible action regarding the first reading of Ordinance #1180: An ordinance of the City Council of the City of Brady adopting the 2015 Tax Rate.																				
PREPARED BY:	Lisa Remini	Date Submitted:	8-27-2015																		
EXHIBITS:	Notice of 2015 Tax Year Proposed Property Tax Rate Ordinance #1180																				
BUDGETARY IMPACT:	Required Expenditure:	\$00.00																			
	Amount Budgeted:	\$00.00																			
	Appropriation Required:	\$00.00																			
CITY MANAGER APPROVAL:																					
<b>SUMMARY:</b> <p>This budget will raise more total property taxes than last year's budget by an amount of \$105,304 which is an 14.73% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$477.</p> <p>The tax rate will increase taxes for maintenance and operations on a \$100,000 home by approximately \$39.99.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: center;">Tax Rate</th> <th style="text-align: center;">Adopted FY 2014-15</th> <th style="text-align: center;">Proposed FY 2015-16</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Property Tax Rate</td> <td style="text-align: center;">0.30439</td> <td style="text-align: center;">0.344378</td> </tr> <tr> <td style="text-align: center;">Effective Rate</td> <td style="text-align: center;">0.28184</td> <td style="text-align: center;">0.300350</td> </tr> <tr> <td style="text-align: center;">Effective M&amp;O Tax Rate</td> <td style="text-align: center;">0.28184</td> <td style="text-align: center;">0.300350</td> </tr> <tr> <td style="text-align: center;">Rollback Tax Rate</td> <td style="text-align: center;">0.30349</td> <td style="text-align: center;">0.324378</td> </tr> <tr> <td style="text-align: center;">Debt Rate</td> <td style="text-align: center;">0.00000</td> <td style="text-align: center;">0.00000</td> </tr> </tbody> </table>				Tax Rate	Adopted FY 2014-15	Proposed FY 2015-16	Property Tax Rate	0.30439	0.344378	Effective Rate	0.28184	0.300350	Effective M&O Tax Rate	0.28184	0.300350	Rollback Tax Rate	0.30349	0.324378	Debt Rate	0.00000	0.00000
Tax Rate	Adopted FY 2014-15	Proposed FY 2015-16																			
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Effective M&O Tax Rate	0.28184	0.300350																			
Rollback Tax Rate	0.30349	0.324378																			
Debt Rate	0.00000	0.00000																			

#### **RECOMMENDED ACTION:**

#### **REQUIRED STATEMENT BY COUNCIL PERSON MAKING MOTION:**

Upon first reading, I move that the property tax rate be increased by the adoption of a Tax rate of 0.344378 per \$100 of taxable value, which is effectively a 15 (fifteen) percent increase in the tax rate.

## NOTICE OF 2015 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF BRADY

A tax rate of \$ 0.344378 per \$100 valuation has been proposed for adoption by the governing body of CITY OF BRADY. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

PROPOSED TAX RATE	\$ <u>0.344378</u> per \$100
PRECEDING YEAR'S TAX RATE	\$ <u>0.304390</u> per \$100
EFFECTIVE TAX RATE	\$ <u>0.300350</u> per \$100
ROLLBACK TAX RATE	\$ <u>0.324378</u> per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for CITY OF BRADY from the same properties in both the 2014 tax year and the 2015 tax year.

The rollback tax rate is the highest tax rate that CITY OF BRADY may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

property tax amount = ( rate ) x ( taxable value of your property ) / 100

For assistance or detailed information about tax calculations, please contact:

ZANE BRANDENBERGER

McCULLOCH CAD, CHIEF APPRAISER

tax assessor-collector

306 W. LOCKHART, BRADY, TX 76825

(325)597-1627

mccullochcad@verizon.net

www.mccullochcad.org

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: August 18th @ 6:00 pm at Civic Center

Second Hearing: August 25th @ 6:00 pm at Civic Center

**ORDINANCE NO. 1180**

**AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF BRADY, TEXAS FOR THE YEAR 2015**

**Whereas**, the Chief Appraiser of the McCulloch County Appraisal District has certified the 2015 Appraisal Roll for property taxable by the City of Brady, Texas; and

**Whereas**, based upon said Appraisal Roll, the Chief Appraiser has calculated the rollback rate for the City of Brady for 2015.

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

**Section 1.** Under section 713.006(b) of the Texas Health and Safety Code, that there is hereby levied and there shall be collected for the maintenance of the City's cemetery for the year two thousand fifteen (2015), upon all property, real, personal and mixed, within the corporate limits of said City to taxation, a tax of .02 on each one-hundred dollars (\$100.00) valuation of property.

**Section 2.** That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Brady, Texas for the year two thousand fifteen (2015), upon all property, real, personal and mixed, within the corporate limits of said City to taxation, a tax of 0.344378 on each one-hundred dollars (\$100.00) valuation of property. This tax rate includes the cemetery tax of .02 on each one-hundred dollars (\$100.00) valuation of property.

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

**"THE TAX RATE WILL BE EFFECTIVELY RAISED BY 15%, FIFTEEN PERCENT, AND WILL INCREASE TAXES FOR MAINTENANCE AND OPERATIONS OF A \$100,000 HOME BY APPROXIMATELY \$39.99."**

**Section 3.** The foregoing tax shall be due and payable at the office of the City Tax Collector on October 1, 2015 and shall be paid before February 1, 2016. All such taxes not paid prior to such date shall be deemed delinquent and shall be subject to the maximum penalty and interest as allowed by law.

**PASSED AND ADOPTED** on this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Secretary

# City Council

## City of Brady, Texas

### Agenda Action Form

<b>AGENDA DATE:</b>	8/28/15	<b>AGENDA ITEM</b>	7.D
<b>AGENDA SUBJECT:</b>	Discussion, consideration and possible action on the recommendation to amend Chapter 13 – Utilities Sec. 13.425 to consider special requests from commercial or industrial customers for non-domestic discharges to the city's sewer collection system.		
<b>PREPARED BY:</b>	K Lenoir / S Miller	<b>Date Submitted:</b>	08/28/15
<b>EXHIBITS:</b>	Proposed Ordinance No. 1177 Amending Chapter 13 – Utilities Sec. 13.425 for Granting Variances for Wastewater Discharges to Sewer System		
<b>BUDGETARY IMPACT:</b>	<b>Required Expenditure:</b>	\$00.00	
	<b>Amount Budgeted:</b>	\$00.00	
	<b>Appropriation Required:</b>	\$00.00	
<b>CITY MANAGER APPROVAL:</b>			

#### SUMMARY:

City staff received a request from an industrial customer to discharge into the wastewater system the spent solution used to clean a water vessel that cools the customer's plant. After investigating the process and the chemicals involved, interviewing the customer, and contacting TCEQ, City staff is satisfied that the discharge would be allowed under federal and state law, safe for the treatment system, and efficient for the customer.

Under the city's current ordinance there is no provision for granting variances on certain prohibited wastewater discharges. Further, city staff has no authority to grant variances from the technical requirements of the wastewater ordinances.

City staff is requesting the authority to grant variances to customers if the proposed discharge would neither violate the City's permits nor be harmful to the City. The proposed ordinance would give authority to City staff to impose conditions on the discharge for the protection of the City.

#### RECOMMENDED ACTION:

Move to approve the second reading of proposed Ordinance 1177 to amend Chapter 13 – Utilities Sec. 13.425 to consider special requests from commercial or industrial customers for non- domestic discharges to the city's sewer collection system.

ORDINANCE NO. 1177

AN ORDINANCE AMENDING THE CODE OF  
ORDINANCES OF THE CITY OF BRADY, TEXAS, BY  
AMENDING CHAPTER 13 TO AUTHORIZE THE  
WASTEWATER APPROVING AUTHORITY TO GRANT  
VARIANCES.

\*\*\*\*\*

**WHEREAS**, the Code of Ordinances of the City of Brady, Texas, Chapter 13, Utilities, provides for the regulatory control of the City's wastewater collection and treatment system; and

**WHEREAS**, customers should be encouraged to work with the wastewater approving authority to dispose of domestic and industrial wastes in environmentally safe and economically efficient methods; and

**WHEREAS**, the wastewater approving authority is responsible for determining the acceptability of discharges into the City's wastewater collection and treatment system;

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRADY, TEXAS:**

**Section 1.** The Code of Ordinances of the City of Brady, Texas, is hereby amended by adding to Chapter 13, Utilities, a new Section 13.425A, to read as follows:

**"Sec. 13.425A Variances**

(a) Upon a customer's prior written request, the approving authority may in writing grant a variance under this article if the approving authority determines that the proposed discharge would not:

- (1) cause a violation under any permit or other requirement established by state, federal, or other agencies with jurisdiction over the public sewers, the wastewater facilities, or receiving waters;
- (2) deleteriously affect wastewater facilities, processes, equipment, or receiving waters;
- (3) create a hazard to life or health; or
- (4) create a public nuisance.

(b) The approving authority may impose reasonable conditions on any variance granted in subsection (a) of this section, which conditions may include without limitation:

- (1) pretreatment, control, and payment under Section 13.411;
- (2) control over or limits to the frequency, quantity, rate, or time of discharge;
- (3) monitoring or testing of the discharge;
- (4) inspection of the customer's property to determine the kind and

source of the discharge or to verify any information in the customer's request;

(5) notifications, whether before or after the discharge, to the approving authority or other persons;

(6) the posting of a surety bond; or

(7) payment to cover the costs of handling and treating the discharge or of administering this section."

**Section 2.** This ordinance shall become effective upon passage on its second reading.

**Section 3.** If any section or part of this ordinance is held by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this ordinance but shall be confined in its operation to the specific section or sections that are held unconstitutional or invalid.

Passed and Approved on FIRST READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Passed and Approved on SECOND READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Executed on this the \_\_\_\_\_ day of \_\_\_\_\_, 2015

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Anthony Groves  
Mayor

ATTEST:

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Tina Keys  
City Secretary

# City Council

## City of Brady, Texas

### Agenda Action Form

AGENDA DATE:	9-1-2015	AGENDA ITEM	7.E
AGENDA SUBJECT:	Discuss, consider, and act on Resolution 2015-037 to approve the City's Investment Policy and appoint an Investment Committee member for FY16.		
PREPARED BY:	Lisa Remini	Date Submitted:	8-27-2015
EXHIBITS:	Resolution 2015-037 PFIA checklist Legislative update – Public Funds Investment Act (PFIA) Minutes of the Investment Committee with meeting packet Investment Policy		
BUDGETARY IMPACT:	Required Expenditure:	\$00.00	
	Amount Budgeted:	\$00.00	
	Appropriation Required:	\$00.00	
CITY MANAGER APPROVAL:			

SUMMARY:	<p>The Investment Committee met August 19, 2015 and reviewed the City's investment strategy, and reviewed the PFIA compliance checklist and determined that the City is in full compliance with the act. Additionally, the committee approved the Investment Policy, with 2 recommended changes.</p> <ol style="list-style-type: none"> <li>1. Clarify the strategy of the City's investment practice. (pg.2)</li> <li>2. Delete the requirement for bi-annual training since it is no longer required by the PFIA. (pg.5)</li> </ol> <ul style="list-style-type: none"> <li>• Attached is the Legislative update denoting that 2 bills were passed reducing the requirements for Investment Officer training.</li> </ul> <p>The Investment Policy shall govern the investment of all financial assets of the City of Brady.</p> <p>The Investment Policy calls for an Investment Committee to meet no less than annually. The Committee membership shall be the City Manager, City Finance Officer, and one Council member.</p> <p>Current member Marilyn Gendusa has indicated that she is willing to serve an additional year.</p>
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RECOMMENDED ACTION:	<p>Move to approve Resolution 2015-037 adopting the City's Investment Policy and appoint one Council member to serve on the Investment Committee for the FY 16 term.</p>
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**RESOLUTION NO. 2015-037**

**A RESOLUTION OF THE CITY OF BRADY, TEXAS APPROVING THE CITY'S  
INVESTMENT POLICY AND APPOINTING AN INVESTMENT COMMITTEE  
MEMBER FOR THE FISCAL YEAR 2016**

**WHEREAS**, Chapter 2256 of the Government Code, commonly known as the "Public Funds Investment Act," requires the city to adopt an investment policy by rule, order, ordinance, or resolution; and

**WHEREAS**, the attached investment policy complies with the Public Funds Investment Act; and

**WHEREAS**, the investment policy requires the appointment of one member from the City Council to be a member of the Investment Committee,

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Brady, Texas that the City of Brady has complied with the requirements of the Public Funds Investment Act, and the Investment Policy, attached hereto, is hereby adopted as the investment policy of the city effective September 1, 2015 and a member of the current City Council is duly appointed to the Investment Committee for fiscal year 2016.

**PASSED AND APPROVED** this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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Anthony Groves, Mayor

Attest: \_\_\_\_\_  
Tina Keys, City Secretary

## Public Funds Investment Act Compliance Checklist

The following questionnaire is provided as a guide to the requirements of the Public Funds Investment Act (Chapter 2256, Government Code). This checklist does not imply that an Investment Policy or Investment Program is in compliance with the PFIA. Each entity should review its own investment program with its attorneys and auditors to determine its compliance with the Act.

### **[Section 2256.005(a)(b)] - Policy Items**

Does your entity have a written investment policy approved by your governing body?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy list the authorized investments for the investment of the entity's funds?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy state the maximum stated maturity of any individual investment and, for pooled fund groups, the maximum dollar-weighted average maturity?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy include methods to monitor the market price of investments and the requirement that all transactions, excluding investment pools and mutual funds, be settled on a delivery versus payment basis?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.005(d)] - Strategy Items**

Has your entity adopted a written investment strategy for each fund or group of funds under its control?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does the strategy describe the objectives for the fund using the priorities of suitability, preservation and safety of principal, liquidity, marketability, diversification, and yield in that order?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.005(e)] - Policy & Strategy Review**

Does your governing body review the investment policy and investment strategy at least annually?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does the governing body adopt a written instrument stating that it has reviewed the policy and strategy?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.005(f-i)] - Investment Officers**

Has your entity designated one or more officers or employees as Investment Officers?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does your entity require its Investment Officer to disclose a personal business relationship with a business organization offering to sell investments to the organization?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Does your entity require its Investment Officer to disclose whether he/she is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the entity?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.005(k-l)] - External Business Policy Certification**

Has a written copy of the investment policy been presented to every business organization offering to engage in an investment transaction with the entity, including investment pools, banks, and investment management firms?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Has a written instrument from each business organization been received acknowledging that the investment policy has been received and reviewed and that procedures and controls have been implemented to preclude unauthorized transactions?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Has a qualified representative as defined in Section 2256.002(10) of each business organization signed the written instrument?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.005(m-n)] - Compliance Audit**

Is a compliance audit of management controls on investments and adherence to the entity's established investment policies performed in conjunction with the annual financial audit?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>	
For state agencies, is a compliance audit performed at least once every two years, and are the results reported to the state auditor not later than January 1 of each even-numbered year?	N/A	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

### **[Section 2256.007] - Investment Officer Training**

Have the applicable training requirements been met?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>	
For state agencies and institutions of higher education, has each governing board member and investment officer attended at least one training session within six months after taking office or assuming duties?	N/A	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has each investment officer attended a training session at least once every two years and received training from an independent source approved by the governing body?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>	

## Public Funds Investment Act Compliance Checklist

Has the investment officer presented a report to the governing body on changes to the Public Funds Investment Act within six months after the end of each regular legislative session?	Present <input checked="" type="checkbox"/> <span style="color: red;">9-1-15</span>	Not Present <input checked="" type="checkbox"/>
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<b>[Section 2256.008] - Investment Officer Training (cont.)</b>		
For local governments, have the treasurer, the chief financial officer, and the investment officer attended at least one training session containing at least 10 hours of instruction within 12 months after taking office or assuming duties?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Has each official attended a training session at least once every two years and received at least 10 hours of instruction from an independent source approved by the governing body or a designated investment committee?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
Has an independent source of investment training been approved by the governing body or a designated investment committee?	Present <input checked="" type="checkbox"/>	Not Present <input type="checkbox"/>
This section does not apply to a district governed by Chapter 36 or 49 of the Water Code. 1. Investment officers of such districts should review the appropriate section of the Water Code for applicable investment training requirements. <i>[Subchapter E, Chapter 36 and 49 of the Water Code, as amended by HB 675, approved by the 77<sup>th</sup> Regular Session of the Texas Legislature]</i>	N/A	Present <input type="checkbox"/> Not Present <input type="checkbox"/>

Investment Type	Restrictions/Qualifications
Obligations Issued, Guaranteed, or Insured by the U.S. or its Agencies and Instrumentalities, including letters of credit <i>[Section 2256.009(a)(1)(4)]</i>	None
Obligations Issued, Guaranteed, or Insured by the State of Texas or its Agencies and Instrumentalities <i>[Section 2256.009(a)(2)(4)]</i>	None
Collateralized Mortgage Obligations <i>[Section 2256.009(a)(3) and (b)(1-4)]*</i>	10 yr. or less stated final maturity date Cannot be either an Interest-Only or Principal-Only CMO Cannot be an inverse floater
Obligations of States (other than Texas), Agencies, Counties, Cities and Other Political Subdivisions <i>[Section 2256.009(a)(5)]</i>	Rated not less than A or its equivalent by at least one nationally recognized investment rating firm
State of Israel Bonds <i>[Section 2256.009(a)(6)]</i>	None
Certificates of Deposit <i>(Section 2256.010)</i>	Issued by a depository institution that has its main office or a branch office in Texas. Must be guaranteed or insured by FDIC or National Credit Union Share Insurance Fund and secured as described in the PFIA or other applicable law.
Repurchase Agreements <i>(Section 2256.011)</i>	Issued by one or more federally insured depository institutions, wherever located, provided that the funds are invested through a depository institution that has its main office or branch office in Texas and that the full amount of the principal and accrued interest of each certificate of deposit is insured by the U.S. or an instrumentality of the U.S. The depository institution through which the entity's funds are invested shall receive an amount of deposits from customers of other federally insured depository institutions that is equal to or greater than the amount of funds invested.
Securities Lending Program <i>(Section 2256.0115)</i>	Must be collateralized at not less than 100%, including accrued income

## Public Funds Investment Act Compliance Checklist

	Loans may be terminated at any time Loans must be secured as described in the PFIA
	Securities held as collateral must be pledged to the entity, held in the entity's name and deposited with the entity or with a third party selected and approved by the entity
	Placed through a primary dealer or a financial institution doing business in Texas
	Securities lending agreement may not have a term greater than one year
Bankers' Acceptances (Section 2256.012)	270 day or less stated maturity from date of issuance Accepted by a bank rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized rating agency
Commercial Paper (Section 2256.013)	270 day or less stated maturity from date of issuance Rated not less than A-1 or P-1 or an equivalent by at least two nationally recognized rating agencies, or; Rated not less than A-1 or P-1 or an equivalent by one nationally recognized rating agency plus fully secured by an irrevocable letter of credit issued by a domestic bank
No-Load Money Market Mutual Fund [Section 2256.014 (a) and (c)]	Registered with and regulated by the Securities and Exchange Commission Provide a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 Must have a dollar-weighted average stated maturity of 90 days or less Must include in its objectives maintenance of a stable net asset value of \$1 per share Investing entity may not own more than 10% of the fund's total assets
Mutual Fund [Section 2256.014 (b) and (c)]	Registered with the Securities and Exchange Commission Must have an average weighted maturity of less than two years Can only invest in obligations approved by the Act Rated not less than AAA or its equivalent by at least one nationally recognized investment rating firm Comply with information and reporting requirements for investment pools as described in the Act Amount limited to 15% of investing entity's monthly average fund balance, excluding bond proceeds, reserves, and debt service funds. Ineligible for investment of bond proceeds, reserves, and debt service funds Investing entity may not own more than 10% of the fund's total assets
Guaranteed Investment Contracts (Section 2256.015)	Authorized for bond proceeds investment only Must have a defined termination date Must be secured by U.S. Government direct or agency obligations approved by the Act in an amount equal to the bond proceeds Security must be pledged to the entity and deposited with the entity or a third party Term must be limited to five years from the date of bond issuance, excluding reserves and debt service funds Must comply with terms and conditions concerning eligibility as an authorized investment as specified in Section 2256.015(c) of the Act
✓ Investment Pools [Section 2256.016]	Governing body must authorize investment in pool

## Public Funds Investment Act Compliance Checklist

	Can only invest in obligations approved by the Act
	Provide an offering circular containing information required by the Act
	Provide investment transaction confirmations
	Provide a monthly report containing information required by the Act
	Pool created to function as a money market mutual fund must mark its portfolio to market daily and stabilize at a \$1 net asset value.
	Must have an advisory board as specified by the Act
	Rated not less than AAA or an equivalent rating by at least one nationally recognized rating service.

### **[Section 2256.020] - Higher Education**

For institutions of higher education, if your investment policy has been amended to include the additional investments permitted by the Act, do these investments meet the rating requirements specified by the Act?

**N/A** Present  Not Present

### **[Section 2256.0201] - Municipal Electric Utility - Hedging**

For a municipality that owns a municipal electric utility, if your investment policy has been amended to include hedging contracts as permitted by the Act, does the hedging transaction comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission?

**N/A** Present  Not Present

### **[Section 2256.0205] - Decommissioning Trust**

If funds are held in a decommissioning trust as defined in the Act, has your investment policy been amended to authorize investment of the trust as permitted by Subtitle B, Title 9, of the Property Code?

**N/A** Present  Not Present

### **[Section 2256.023] - Investment Reports**

Are investment reports submitted to the governing body at least quarterly?

Present  Not Present

Do the reports contain the information required by the Act?

Present  Not Present

Do all investment officers sign the reports?

Present  Not Present

Do the reports include a statement of compliance of the investment portfolio with the Act and the investment strategy?

Present  Not Present

Does an independent auditor review the reports at least annually if your investments include obligations other than money market mutual funds, investment pools, or depository bank investment accounts?

**N/A** Present  Not Present

### **[Section 2256.003(b)] - Investment Management Firm**

If the entity has contracted with an investment management firm to provide for the investment and management of its public funds or other funds under its control, is the investment management firm registered either under the Investment Advisers Act of 1940 or with the State Securities Board?

**N/A** Present  Not Present

Is the contract with the investment management firm limited to a maximum term of two years with renewal or extension subject to approval of the governing body by order, ordinance, or resolution?

**N/A** Present  Not Present

### **[Section 2256.025] - Qualified Brokers List**

Has the governing body or designated investment committee adopted a list of qualified brokers?

**N/A** Present  Not Present

Does the governing body or designated investment committee review, revise, and approve the list at least annually?

**N/A** Present  Not Present

**H.B. 804 (Geren/Seliger) – Vehicle Storage Facilities:** requires the operator of a vehicle storage facility, including a city vehicle storage facility, to accept cash, debit cards, and credit cards as a form of payment and to conspicuously post a related sign. (Effective September 1, 2015.)

**H.B. 870 (Smith/Seliger) – Public Funds Investment Act:** reduces the amount of Public Funds Investment Act training hours for city finance and investment officers from ten hours every two years to eight hours every two years. (Note: city finance and investment officers must still initially receive ten hours of training within 12 months after taking office or assuming investment duties.) (Effective September 1, 2015.)

**H.B. 896 (Hernandez/Huffman) – Computer Security:** makes it a criminal offense for a person to knowingly access – with the intent to defraud or harm another or alter, damage, or delete property – a computer that is owned by the government in violation of: (1) a clear and conspicuous prohibition by the owner; or (2) a contractual agreement. (Effective September 1, 2015.)

**H.B. 1040 (Paddie/Hancock) – Liability of Sports Officials:** provides immunity from civil damages related to personal injury, wrongful death, property damage, or other loss to a sports official who is engaged in an athletic competition, unless the damages are caused by the official's gross negligence or wanton, willful, or intentional misconduct. (Effective immediately.)

**H.B. 1148 (Kacal/Schwertner) – Public Funds Investment Act:** provides that a city investment officer must take only the initial 10 hour training under the Public Funds Investment Act but no continuing investment training if the city: (1) does not invest city funds; or (2) only deposits city funds in interest-bearing deposit accounts or certificates of deposit. (Effective September 1, 2015.)

**H.B. 1184 (Paddie/Eltife) – Energy Savings Performance Contracts:** provides that a local government is authorized to use an energy savings performance contract for: (1) alternative fuel programs resulting in energy cost savings and reduced emissions for local government vehicles, including fleet vehicles; or (2) programs resulting in utility cost savings. (Effective immediately.)

**H.B. 1246 (Koop/Hall) – Financial Disclosure:** permits the city clerk or secretary in a city with a population of 100,000 or more to deliver a personal financial statement form by mail, personal delivery, electronic mail, or any other means of electronic transfer to an officer or candidate who is required to file the form. (Effective September 1, 2015.)

**H.B. 1378 (Flynn/Bettencourt) – Local Debt Reporting:** provides that:

1. every political subdivision must annually compile and report the following financial information: (a) debt obligation information for the political subdivision that must state: (i) the amount of all authorized debt obligations; (ii) the principal of all outstanding debt obligations; (iii) the principal of each outstanding debt obligation; (iv) the combined principal and interest required to pay all outstanding debt obligations on time and in full; (v) the combined principal and interest required to pay each outstanding debt obligation on time and in full; (vi) the amounts required by (i)-(v) limited to authorized and outstanding debt obligations secured by property taxes, expressed as a total amount

## MINUTES OF THE INVESTMENT COMMITTEE

August 19, 2015

All members were present:

Kim Lenoir, City Manager 

Lisa Remini, Finance Director 

Marilyn Gendusa, Council member 

The Committee reviewed and discussed the investment strategy for the City of Brady. It was unanimously approved to continue the current strategy of maintaining 1 CD at Commercial National Bank to promote diversification if the City could not access Brady National Bank deposits. The remaining deposits are held at Brady National Bank to promote liquidity and earn a better rate of interest.

The City will continue to maintain funds at CNB for precautions against unforeseen issues that would prevent banking activity at BNB.

The Committee reviewed 3 local government investment pools rates and confirmed that it is not an appropriate investment option at this time for the City due to the fact that Brady National Bank is paying a higher competitive rate on City deposits.

The Committee reviewed Public Funds Investment Act Compliance Checklist and confirmed that the City is in full compliance with 24 out of 25 items applicable to the city. L. Remini agreed to obtain legislative updates if any, with the PFIA to comply with all items.

The Committee reviewed the City's cash accounts and recommends that until rates rise above .55% no additional CDs will be purchased.

The Committee reviewed, discussed, and unanimously approved the City's investment policy. The Committee confirmed that all criteria required by the Public Funds Investment Act have been met. A change to the policy is recommended to better define the strategy of the city. See attached.

The Committee discussed the legal requirements under the Vernon Civil Statutes that require a banking institution to fully secure / collateralize 100% of the City's deposits. The City's investment policy requires that all funds be secured at 102% of market value of principal and accrued interest on the deposits less \$250,000 FDIC insurance.

Marilyn Gendusa stated she would serve another term on the Committee if the Council so desired.

There being no other business, the meeting was adjourned.

City of Brady  
Investment Committee Agenda  
8-19-2015

1. Review investment strategy for the City of Brady  
Currently:
  - 1 Quarterly CD in the amount of \$242,789.62 earning 0.25 % at CNB
  - Maintain checking account called "Former CDs" earning .55% interest
2. Public Funds Investment Act Compliance Checklist
3. Review Investment Policy and approve.
4. Review cash balances.
5. Discuss requirement for a Council member on the Committee.

**From:** Scott McIntyre <Scott.McIntyre@firstsw.com>  
**Sent:** Tuesday, July 14, 2015 11:13 AM  
**To:** Compliance Administrators  
**Subject:** FW: Greece and China Calm and U.S. Consumers Slow Purchases in June



Tuesday, J

#### RETAIL SALES GIVE BACK SOME OF THE SPRING GAINS

The median Bloomberg survey for monthly retail sales had called for a +0.3% June increase after a substantial +1.2% gain in May. In the morning, the Commerce Department reported that retail sales had actually *fallen* by -0.3% last month, while the May advance was downward to +1.0%. A slower pace of auto sales was the major reason for the surprisingly weak overall number in June. Build materials sales were also quite weak, although the recent pick-up in home sales and building permits suggests a near-term rebound.

Without getting into the dull details, the June report was a bit of a giveback after the particularly strong May report. Plus, there was an unusual amount of uncertainty last month, and shoppers might have been a bit worried. Looking at May and June together paint a respectable spending picture and the outlook appears fairly upbeat.

Still, the Fed is watching the data to try and decide exactly when the best time to start raising rates is, and a weak number suggests a date rather than sooner.

#### UPDATE ON CHINA AND GREECE

The wildly volatile Chinese stock markets have swung upward in recent days. The Shanghai is up nearly 12% since its recent low on Wednesday. Although the Chinese government has stopped the bleeding, the original wound is still intact. Valuations are very high, and a heavy proportion of the market participants are retail investors using borrowed money to make purchases.

There is quite a bit of optimism surrounding Greece over the past several days. A new deal was proposed by the Greek government on Monday which seems to be reasonable to creditors; in fact, it is so reasonable that it appears to be a worse deal than the Greek government rejected 9 days ago. Still, it signals a willingness to remain in the euro, and everyone is breathing easier for the time being. However, as the Wall Street Journal points out, this deal must be approved by at least seven different Parliaments, as well as the IMF and the European Union, so it is far from a done deal.

U.S. stocks have enjoyed four straight days of gains. With tourniquets on China and Greece, Fed accommodation still in place and the possibility of a good quarter of corporate earnings upon us, there is a sense of optimism. Although there's a bit of a retail sales disappointment afoot in the bond market this morning, bonds have generally turned upward as the flight-to-quality trade continues itself.

#### MARKET INDICATIONS AS OF 10:45 A.M. CENTRAL TIME

DOW	UP 57 to 18,034
NASDAQ	UP 33 to 5,105
S&P 500	UP 8 to 2,108

Committee  
Packet

1-Yr T-bill	current yield 0.24%; opening yield 0.25%
2-Yr T-note	current yield 0.64%; opening yield 0.68%
5-Yr T-note	current yield 1.67%; opening yield 1.72%
10-Yr T-note	current yield 2.41%; opening yield 2.45%
30-Yr T-bond	current yield 3.21%; opening yield 3.24%

## CONTACT US

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Scott McIntyre, CFA  
**Senior Vice President**  
**FirstSouthwest Asset Management**

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Welcome to LOGIC - Local Government Investment Cooperative

LOGIC is a AAA rated local government investment pool created by Texas local government officials who understand the specific needs and challenges of investing public funds.

**LOGIC** provides government entities across the state with solid investment returns, portfolio liquidity, diversification and exceptional systems and services

LOGIC is administered by FirstSouthwest and JPMorgan Chase. Together these organizations bring to the LOGIC program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management and extensive industry resources.

Please browse our website to see how **LOGIC** can assist with your cash management and investment needs.

For further assistance, please contact LOGIC Participant Services at 1-800-895-6442.

Current Rate 8-19-15 0.1332%

WAM 41 days

## Committee packet



Welcome to TexSTAR - an investment service created by Local Governments for Local Governments.

Offering Texas cities, counties, school districts and other public entities with an investment option that provides security, liquidity and efficiency for this management of public funds.

TexSTAR is a conservatively managed fund operated in full compliance with the PFIA, rated AAA by Standard & Poors run by administrators with a proven track record. Our marketing and customer service staff is Texas-based with leading edge systems to handle the needs of our customers.

TexSTAR has been tailored to provide investment solutions to any local government investment plan, whether as a liquidity component, a comprehensive investment strategy or as a method to diversify an investment program based upon traditional banking services. Regardless of the need or objective, TexSTAR offers unparalleled security in an investment scenario laden with risk.

TexSTAR Participant Services \* FirstSouthwest

325 North St. Paul Street, Suite 800 \* Dallas, Texas 75201 \* [www.texstar.org](http://www.texstar.org) \* 1-800-TEX-STAR \* 214-953-8890 \* FAX 214-953-8878

Current Rate 8-19-15 0.0851%

WAM 46 days

Committee  
packet

## TexPool *Prime*

## Overview Portfolio Characteristics Performance Literature

Daily Performance from 08-09-2015 to 08-18-2015

As of Date	Daily Net Yield (%)	Dividend Factor	7 Day Net Yield (%)	Daily Assets (\$)	NAV (\$)	Weighted Average Maturity (WAM)	Weighted Average Life (WAL)
08-09-2015	0.1341	0.000003675	0.1300	1,093,149,849.50	0.99999	42	60
08-10-2015	0.1402	0.000003842	0.1300	1,105,328,063.85	0.99999	40	58
08-11-2015	0.1401	0.000003839	0.1400	1,084,664,667.98	0.99999	41	59
08-12-2015	0.1449	0.000003971	0.1400	1,060,518,056.86	0.99999	41	59
08-13-2015	0.1542	0.000004224	0.1400	995,486,021.46	0.99999	42	62
08-14-2015	0.1438	0.000003941	0.1400	987,808,134.27	0.99999	41	60
08-15-2015	0.1438	0.000003941	0.1400	987,808,134.27	0.99999	41	60
08-16-2015	0.1438	0.000003941	0.1400	987,808,134.27	0.99999	41	60
08-17-2015	0.1449	0.000003970	0.1400	995,020,207.26	1.00000	39	57
08-18-2015	0.1432	0.000003922	0.1400	987,667,673.13	1.00000	39	57

### Monthly Performance from 05-31-2015 to 07-31-2015

As of Date	Average Monthly Rate (%)	Average Monthly Dividend Factor	Average Monthly 7 Day Rate (%)	Average Monthly Balance (\$)	Weighted Average Maturity (WAM)	Weighted Average Life (WAL)	Participants
05-31-2015	0.1030	0.000002822	0.1006	1,200,943.253.66	40	50	188
06-30-2015	0.1063	0.000002912	0.1043	1,173,675.796.05	37	45	188
07-31-2015	0.1155	0.000003165	0.1132	1,185,307.497.21	35	50	190

Performance quoted represents past performance which is no guarantee of future results. Investment return will vary. The value of an investment, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than what is stated.

An investment in the Pool is not insured or guaranteed by any government or government agency. Although the manager of the Pool seeks to preserve principal, it is possible to lose money by depositing money in the Pool.

For more complete information, see the investment policy and information statement available on this website. You should consider the investment's objectives, risks, charges, and expenses carefully before investing. Information about these and other important subjects is in the investment policy and information statement which you should read carefully before investing.

Please note that daily fund prices, dividend factors and yield information (collectively, the "Pricing Information") are posted to this web page at approximately 4:00 p.m. ET and are updated each day that the New York Stock Exchange is open for regular trading. Daily gross yields and 7 day unsubsidized net yields are updated at approximately 8:30 p.m. ET. Daily fund prices, dividend factors, and yield information are subject to normal quality control, validation, and verification after such posting, and prior to 10:00 a.m. ET the next business day, remain subject to change. Taxable Money Market Fund daily dividend factors, may include short term capital gains. Please take this into consideration when using this information.

All current yields for TexPool Prime, for each date, reflect a waiver of some or all management fees.

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# Committee packet

## TexPool

## Overview Portfolio Characteristics Performance Literature

**Daily Performance** from 08-09-2015 to 08-18-2015

As of Date	Daily	Dividend Factor	7 Day	Daily Assets (\$)	NAV (\$)	Weighted Average	Weighted Average
	Net Yield (%)		Net Yield (%)			Maturity (WAM)	Life (WAL)
08-09-2015	0.0667	0.000001828	0.0700	13,241,172,227.11	1.00005	49	82
08-10-2015	0.0673	0.000001844	0.0700	13,186,535,620.26	1.00004	50	82
08-11-2015	0.0714	0.000001956	0.0700	13,234,133,564.90	1.00003	49	80
08-12-2015	0.0706	0.000001935	0.0700	13,248,431,652.45	1.00003	50	80
08-13-2015	0.0730	0.000002001	0.0700	12,952,076,762.81	1.00001	50	84
08-14-2015	0.0780	0.000002136	0.0700	12,851,022,322.21	1.00000	51	84
08-15-2015	0.0780	0.000002136	0.0700	12,851,022,322.21	1.00000	51	84
08-16-2015	0.0780	0.000002136	0.0700	12,851,022,322.21	1.00000	51	84
08-17-2015	0.0781	0.000002140	0.0700	12,890,278,278.11	1.00001	48	81
08-18-2015	0.0760	0.000002083	0.0700	12,681,565,937.90	0.99999	48	81

Monthly Performance from 05-31-2015 to 07-31-2015

As of Date	Average Monthly Rate (%)	Average Monthly Dividend Factor	Average Monthly 7 Day Rate (%)	Average Monthly Balance (\$)	Weighted Average Maturity (WAM)	Weighted Average Life (WAL)	Participants
05-31-2015	0.0553	0.000001515	0.0552	14,174,527.365 66	50	78	2329
06-30-2015	0.0575	0.000001575	0.0600	13,868,608.835 11	48	74	2330
07-31-2015	0.0630	0.000001725	0.0606	13,711,954.585 18	50	79	2333

### Previous Performance Data

Daily Performance Data January 1997 - April 2002 (PDF)

Monthly Performance Data January 1990 - March 2002 (PDF)

Performance quoted represents past performance which is no guarantee of future results. Investment return will vary. The value of an investment, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than what is stated.

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# Committee packet

**FUND BALANCE AND CASH RECONCILEMENT**  
As of: July 31, 2015

		Unrestricted Cash	Restricted Cash	Total Cash	Comments
<b>BRADY NATIONAL BANK</b>					
Operating Account	#100677	\$ 10,366,186.42	49,532.56	10,415,718.98	Street Sanitation
Airport Account	#172791	\$ 52,638.69	-	52,638.69	
EMS - RAC	#166470	\$ -	5,816.69	5,816.69	
Water Repair & Replacement	#172817	\$ 13,980.47	220,000.00	233,980.47	
TXDOT Bridge Street Reimbursement	#173153	\$ 91,186.73	-	91,186.73	
CW - WWTP Construction	#103671	\$ -	83,347.46	83,347.46	
DW Construction	#104828	\$ -	34,713.48	34,713.48	
Sinking Fund 2000	#172890	\$ -	54,167.68	54,167.68	
Sinking Fund 2003	#173021	\$ -	168,478.86	168,478.86	
Sinking Fund 2004	#176727	\$ -	4,019.57	4,019.57	
Sinking Fund 2012 - Refunding	#103069	\$ -	92,841.66	92,841.66	
Sinking Fund 2012 - WWTP	#103663	\$ -	114,001.58	114,001.58	
Sinking Fund 2013 - DW	#105770	\$ -	34,738.00	34,738.00	
Landfill Closure Reserve	#172775	\$ -	325,741.96	325,741.96	
Drug Seizure FDS	#172668	\$ -	13,240.79	13,240.79	
Police Educational	#172700	\$ -	5,017.66	5,017.66	
Court Security	#102533	\$ -	2,708.23	2,708.23	
Court Technology	#102541	\$ -	1,038.77	1,038.77	
Community Development Block	#172627	\$ -	-	-	
Former CD's - Reserves	#102525	\$ 992,905.45	412,085.40	1,404,990.85	Utility Deposit \$
Cash on Hand		\$ 1,310.00	-	1,310.00	
Bank Balances - Interest rate .55%	Subtotal	<hr/> \$ 11,518,207.76	<hr/> 1,621,490.35	<hr/> 13,139,698.11	
Certificate of Deposit at CNB					
BOTX Escrow Account - CO 2012 CW Project		\$ -	242,789.62	242,789.62	Utility Deposit \$
BOTX Escrow Account - LF 2012 CW Project		\$ -	1,157,900.19	1,157,900.19	
BOTX Escrow Account - EDAP 2015		\$ -	981,384.34	981,384.34	
BOTX Escrow Account - CO 2013 DW Project		\$ -	1,771,401.80	1,771,401.80	
BOTX Escrow Account - LF 2013 DW Project		\$ -	30,463.23	30,463.23	
	Subtotal	<hr/> \$ -	<hr/> 4,669.34	<hr/> 4,669.34	
		<hr/> \$ -	<hr/> 4,188,608.52	<hr/> 4,188,608.52	
<b>TOTAL CASH BALANCES RECONCILED</b>		11,518,207.76	5,810,098.87	<b>17,328,306.63</b>	
<b>7-31-15 GENERAL LEDGER</b>					
Total Current Non-Cash Assets - All Funds				904,226.45	
(Total Current Liabilities - All Funds)				<hr/> (1,812,328.51)	
<b>Total Fund Balance / Net Working Capital</b>				<hr/> <b>16,420,204.57</b>	

Committee  
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**CITY OF BRADY**  
**INVESTMENT ACTIVITY**

**DATE: July 31, 2015**

Certificates of Deposit at	Commercial National Bank:	Interest Earnings
		Y-T-D
1.	#28503 \$242,789.62 at 0.25% for 365 days maturity	\$453.42

**GRAND TOTAL    \$242,789.62    TOTAL SHORT-TERM CASH INVESTMENTS**

The City investment portfolio is in compliance with the PFIA and the City's investment strategy as outlined in the Council approved Investment Policy dated 8-19-14 by Resolution 2014-025.

Lisa Remini  
Lisa Remini, Investment Officer

Committee  
Market

# INVESTMENT POLICY

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## CITY OF BRADY, TEXAS

September 1, 2015

### I. POLICY

It is the policy of the City of Brady that after allowing for the anticipated cash flow requirements of the City and giving due consideration to the safety and risk of investment, all available funds shall be invested in conformance with these legal and administrative guidelines, seeking to optimize interest earnings to the maximum extent possible.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to City funds. The City's investment portfolio shall be designed and managed in a manner designed to maximize this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the primary objectives of:

- **Safety** and preservation of principal
- Maintenance of sufficient **liquidity** to meet operating needs
- **Public trust** from prudent investment activities
- Optimization of **interest earnings** on the portfolio

in the above order of priority.

### II. PURPOSE

The purpose of this investment policy is to comply with the local charter and Chapter 2256 of the Government Code ("Public Funds Investment Act"), (Exhibit B), which requires the City to adopt a written investment policy regarding the investment of its funds and funds under its control. The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City's funds.

# INVESTMENT POLICY

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## III. SCOPE STRATEGY

This Investment Policy shall govern the investment of all financial assets of the City of Brady. These funds are accounted for in the City's Annual Audit and include:

- General Fund
- Special Revenue Fund
- Enterprise Funds
- Any new fund created by the City of Brady

The City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The investment strategy has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The City shall pursue conservative portfolio management strategy. This may be accomplished by creating a laddered maturity structure with some extension for yield enhancement. The maximum dollar weighted average maturity of 1 year or less will be calculated using the stated final maturity date of each security.

## INVESTMENT OBJECTIVES

The City shall manage and invest its cash with four primary objectives, listed in order of priority: **safety, liquidity, public trust, and yield, expressed as optimization of interest earnings.** The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The City shall maintain a comprehensive cash management program, which includes collection of account receivables, vendor payments in accordance with invoice terms, and the prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of idle cash.

### **Safety**

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

# INVESTMENT POLICY

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1. Credit Risk – The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:
  - Limiting investments to the safest types of investments
  - Pre-qualifying the financial institutions and broker/dealers with which the City will do business
  - Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.
  
2. Interest Rate Risk – The City will minimize the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:
  - Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
  - Investing operation funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
  - Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

## **Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands and investing in securities with active secondary markets. Because all possible cash demands cannot be anticipated, investment in money market mutual funds that offer same-day liquidity features will be considered an acceptable means of providing investment income.

## **Public Trust**

All participants in the City of Brady's investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

# INVESTMENT POLICY

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## **Yield (Optimization of Interest Earnings)**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

## **V. RESPONSIBILITY AND CONTROL**

In accordance with the Public Funds Investment Act, the City Council designates the City Manager and Finance Director as the City's Investment Officers. An Investment Officer is authorized to execute investment transactions on behalf of the City. **No person may engage in an investment transaction or the management of the City funds except as provided under the terms of this Investment Policy as approved by the City Council.** The investment authority granted to the investing officers is effective until rescinded by the City Council.

### **Internal Controls**

The City Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Therefore, an Investment Committee shall be established to include the City Manager, Finance Director and one Council member. The committee shall meet as needed, but no less than annually, to review purchased investments and assure investment activity is in compliance with all directives of this Investment Policy. In addition, the Investment Committee shall establish at least annually the City's investment strategy with subsequent approval obtained from the City Council.

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points.

- Control of collusion
- Separation of transactions authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation for telephone (voice) transactions for investments and wire transfers
- Development of a wire transfer agreement with the depository bank or third party custodian.

# INVESTMENT POLICY

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## Training Requirement

In accordance with the Public Funds Investment Act, designated Investment Officers shall attend an investment training session within 12 months after assuming duties. Such training from an independent source shall be approved or endorsed by either the Government Finance Officers Association of Texas, or the Texas Municipal League. Such training shall be at least 10 hours of instruction, and continued ~~on at least a biannual basis~~ as required by the Act.

## Prudence

Investments shall be made with judgment and care, under prevailing circumstances, that persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of the capital as well as the probable income to be derived. No investment shall be made unless:

- It is an authorized investment as defined in Public Funds Investment Act 2256, or
- Is a direct obligation of the United States or its instrumentality's, or
- Is a direct obligation of the State of Texas or its agencies, or
- Is guaranteed by the United States or Texas or its instrumentality's, or
- Does not put the capital at risk, and
- Complies with the provisions of this Investment Policy.

## Indemnification

The Investment Officer(s), acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

## Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any larger personal financial investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal

# INVESTMENT POLICY

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investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council.

## VI. SUITABLE AND AUTHORIZED INVESTMENTS

### Portfolio Management

The City currently has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements that investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- Cash flow needs of the City require that the investment be liquidated.

### Investments

City funds governed by this policy may be invested in the instruments described below, all of which are authorized by Chapter 2256 of the Public Funds Investment Act. **Investment of City funds in any instrument or security not authorized for investment under the Act or this Investment Policy is prohibited.** The City will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase if such action would result in a monetary loss for the City.

#### Authorized:

Following lists investment securities approved by the Investment Committee with the subsequent approval of the City Council:

1. Obligations of the United States of America, its agencies and instrumentalities
2. Certificates of Deposit issued by a bank organized under Texas Law, the laws of another state, or federal law, that has its main office or a branch office in Texas, and is guaranteed or insured by the Federal Deposit Insurance or its successor or secured by obligations in a manner and amount provided by law for deposits of the City.

## INVESTMENT POLICY

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3. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities. These shall be pledged to the city, held in the City of Brady's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve or financial institution doing business in Texas. A Master Repurchase Agreement must be signed by the bank/dealer prior to investment in a repurchase agreement.
4. Money Market Accounts in approved financial institutions.
5. Negotiable Order of Withdrawal (NOW) accounts.
6. Local government investment pools, which 1) meet the requirements of Chapter 2256.016 of the Public Funds Investment Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, 3) seek to maintain a \$1.00 net asset value, and 4) are authorized by resolution or ordinance by the City Council.

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

### **Not Authorized:**

1. Any investment including interest-only or principal-only strips of obligations with underlying mortgage-backed security collateral, collateralized mortgage obligations with an inverse floating interest rate or a maturity date of over 10 years are strictly prohibited.

## **VII. INVESTMENT PARAMETERS**

### **Maximum Maturities**

The longer the maturity of investments, the greater their price volatility. Therefore, it is the City's policy to concentrate its investment portfolio in shorter-term investments in order to limit principal risk caused by changes in interest rates.

The City attempts to match its investments with anticipated cash flow requirements. The city will not directly invest in securities maturing more than 2 years from the date of purchase; however, the above described obligations, certificates, or agreements may be collateralized using longer dated investments.

## INVESTMENT POLICY

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Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days.

The composite portfolio will have a weighted average maturity of 365 days or less. This dollar-weighted average maturity will be calculated using the stated final maturity dates of each security.

### Diversification

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid over concentration in investments from a specific issuer or business sector (excluding U.S. Treasury securities and certificates of deposit that are fully insured and collateralized in accordance with state and federal law),
- Investing in investments with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as money market funds, local government investment pools, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for the City's total portfolio:

Certificate of Deposits	100%
U.S. Treasuries:	100%
Agencies and Instrumentalities	85%
Repurchase Agreements	20%

## VIII. SELECTION OF BANKS AND DEALERS

At least every 4 years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.

## INVESTMENT POLICY

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- The ability to provide requested information or financial statements for the periods specified.
- The ability to meet all requirements in the banking RFP.
- Complete response to all required items on the bid form.
- Lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

### **Authorized Brokers/Dealers**

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions authorized to engage in securities transactions with the City. (Exhibit A)

Those firms that request to become qualified bidders for securities transactions will be required to provide a completed broker/dealer questionnaire that provides information regarding creditworthiness, experience and reputation. Additionally, a certification stating the firm has received, read and understood the City's investment policy and agree to comply with the policy must be in place. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories. All investment providers, including financial institutions, banks, money market mutual funds, and local government investment pools, must sign a certification acknowledging that the organization has received and reviewed the City's investment policy and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the City's policy.

### **Competitive Bids**

It is the policy of the City to require competitive bidding for all individual security purchases and sales except for:

- Treasury and agency securities purchased at issue through an approved broker/dealer or financial institution.
- Transactions with money market mutual funds and local government investment pools.

The Chief Financial Officer shall develop and maintain procedures for ensuring competition in the investment of the City's funds.

# INVESTMENT POLICY

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## **Delivery vs. Payment**

Securities shall be purchased using the delivery vs. payment method exception. Funds will be released after notification that the purchased security has been received.

## **IX. SAFEKEEPING OF SECURITIES AND COLLATERAL**

### **Safekeeping and Custodian Agreements**

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as a part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by the City shall be held in the City's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by a third party custodian designated by the City and pledged to the City as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Original safekeeping receipts shall be obtained. Collateral may be held by the Federal Reserve bank or branch of a Federal Reserve bank, or a third party bank approved by the City.

### **Collateral Policy**

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all City funds on deposit with a depository bank, other than investments. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC. At its discretion, the City may require a higher level of collateralization for certain investment securities. Securities pledged as collateral shall be held by an independent third party with whom the City has a current custodial agreement. The Chief Financial Officer is responsible for entering into collateralization agreements with third party custodians in compliance with this policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

# INVESTMENT POLICY

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## **Collateral Defined**

The City shall accept only the following types of collateral:

- FDIC insurance
- Obligations of the United States or its agencies and instrumentalities
- Direct obligations of the State of Texas or its agencies and instrumentalities
- Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
- Obligations of agencies, counties, cities, and other political subdivisions of the State of Texas as to investment quality by a nationally recognized rating firm not less than AA or its equivalent with a remaining maturity of 10 years or less.

## **Subject to Audit**

All collateral shall be subject to inspection and audit by the Chief Financial Officer or the City's independent auditors.

## **X. PERFORMANCE**

### **Performance Standards**

The City's investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall be designed with the objective of obtaining a rate of return through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the City.

### **Performance Benchmark**

It is the policy of the City to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the City shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value. The City's portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on U.S. Treasury bills at a maturity level comparable to the City's weighted average maturity in days.

# INVESTMENT POLICY

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## XI. REPORTING

### Methods

The Finance Director shall submit monthly to the full City Council a report identifying all purchases and sales transacted in the prior month. The report shall summarize the portfolio in terms of investment securities held, maturities, and risk characteristics. The report shall explain the quarter's total investment return and compare the return with budgetary expectations.

The quarter investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principals. This summary will be prepared in a manner that will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the City Council. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield to maturity of portfolio as compared to applicable benchmark
- Listing of investments by maturity date
- Fully accrued interest for the reporting period
- The percentage of the total portfolio that each type of investment represents
- Statement of compliance of the City's investment portfolio with state law and the investment strategy and policy approved by the Board

Within sixty (60) days after the end of the Fiscal Year, the City Manager with the Finance Director shall present an annual report of investment activity.

An independent auditor will perform a formal annual review of the investment reports with the results reported to the City Council.

### Monitoring Market Value

Market value of all securities in the portfolio will be determined on a quarterly basis. These values will be obtained from a reputable and independent source and disclosed to the City Council quarterly in a written report.

## INVESTMENT POLICY

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### **XII. INVESTMENT POLICY ADOPTION**

The Investment Committee shall review the policy and investment strategies annually, approving any changes or modifications. The City of Brady's investment policy shall be adopted by resolution of the City Council annually, as presented by the Investment Committee. It is the City's intent to comply with state laws and regulations. The investment policy shall be subject to revisions consistent with changing laws, regulation, and needs of the City.

### **EXHIBIT A**

#### **APPROVED FINANCIAL INSTITUTIONS**

**Brady National Bank**

**Commercial National Bank**

#### **APPROVED BROKER/DEALERS**

**Not applicable**

## **TEXAS PUBLIC FUNDS INVESTMENT ACT CERTIFICATION BY BUSINESS ORGANIZATION**

**This certification is executed on behalf of the City of Brady (the Investor) and Brady National Bank (the Business Organization) pursuant to the Public funds Investment Act, Chapter 2256, Texas Government Code (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.**

**The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:**

- 1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor on such terms as are defined in the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code.**
- 2. The Qualified Representative of the Business Organization has received and reviewed the Investor's Investment Policy furnished by the Investor, and**
- 3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the Investor's Investment Policy. However, authorization dependent upon an analysis of the makeup of the Investor's entire portfolio or which requires an interpretation of subjective investment standards by the Investor is not required by the Business Organization.**

**Qualified Representative of the Business Organization**

**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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

*PRINT OUT POLICIES  
Attach Resolution*

## **TEXAS PUBLIC FUNDS INVESTMENT ACT CERTIFICATION BY BUSINESS ORGANIZATION**

**This certification is executed on behalf of the City of Brady (the Investor) and Commercial National Bank (the Business Organization) pursuant to the Public funds Investment Act, Chapter 2256, Texas Government Code (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.**

**The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:**

- 1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor on such terms as are defined in the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code.**
- 2. The Qualified Representative of the Business Organization has received and reviewed the Investor's Investment Policy furnished by the Investor, and**
- 3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the Investor's Investment Policy. However, authorization dependent upon an analysis of the makeup of the Investor's entire portfolio or which requires an interpretation of subjective investment standards by the Investor is not required by the Business Organization.**

**Qualified Representative of the Business Organization**

**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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