

MURPHY CITY COUNCIL AGENDA  
REGULAR CITY COUNCIL MEETING (COUNCIL CHAMBERS)  
JANUARY 5, 2016 AT 6:00 PM  
206 NORTH MURPHY ROAD  
MURPHY, TEXAS 75094



Eric Barna  
Mayor

Scott Bradley  
Mayor Pro Tem

Owais Siddiqui  
Deputy Mayor Pro Tem

Ben St. Clair  
Councilmember

Betty Spraggins  
Councilmember

Sarah Fincanon  
Councilmember

Rob Thomas  
Councilmember

James Fisher  
City Manager

Susie Quinn  
City Secretary

NOTICE is hereby given of a meeting of the City Council of the City of Murphy, Collin County, State of Texas, to be held on January 5, 2016 at Murphy City Hall for the purpose of considering the following items. The City Council of the City of Murphy, 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.

**1. CALL TO ORDER**

**2. INVOCATION & PLEDGE OF ALLEGIANCE**

**3. ROLL CALL & CERTIFICATION OF A QUORUM**

**4. PUBLIC COMMENTS**

**5. PRESENTATIONS**

- A. Presentation of financial reports for October and November, 2015.

**6. CONSENT AGENDA**

All consent agenda items are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and voted on separately.

- A. Consider and/or act on the December 1, 2015 regular meeting minutes.

**7. INDIVIDUAL CONSIDERATION**

- A. Consider and/or act upon approval of Resolution Number 16-R-824 designating investment officers of the City and approving the investment policy for the investment of municipal funds.
- B. Consider and/or act upon approval of Ordinance Number 16-01-1006 amending the FY 2014-2015 revenue budgets, expenditure budgets and fund balances for the General Fund, Cable PEG Fund, Utility Fund, Capital Improvement Fund, Police Seizure Fund, Murphy Community Development Corporation (Type B) and the Capital Construction Fund.

- C. Hold a public hearing and consider and/or act on the application of Anshu Jain requesting to amend the Concept Plan for approximately 6.43 acres of property zoned PD (Planned Development) District No. 09-02-785, as amended by Ordinance No. 14-04-975, located on FM 544 approximately 800' west of Heritage Parkway for Lots 2-3, Block A, Nelson Addition.
- D. Hold a public hearing and consider and/or act on the application of Ryan Betz of 4B & W Land, LLC., Ronald and Patricia Williford and Kevin McAllister requesting a change in zoning from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road. **This public hearing will be continued until February 2, 2016.**
- E. Consider and/or act upon the recommendations from the Council Interview Panel regarding appointing board members to the Murphy Municipal Development District.
- F. Consider and/or act upon on the Interlocal Agreement between the City of Murphy and the Texoma Area Paratransit System, Inc. for demand-response transit services.
- G. Discussion on the Board and Commission Orientation on Saturday, February 6<sup>th</sup> from 9 a.m. until noon at the Murphy Community Center.

#### **8. CITY MANAGER/STAFF REPORTS**

- A. Timbers Nature Preserve
- B. Betsy Lane Road Widening Project
- C. South Maxwell Creek Parallel Trunk Sewer Line
- D. North Murphy Road

#### **9. EXECUTIVE SESSION**

In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council will now recess into Executive Session (closed meeting) to discuss the following:

- A. §551.071 Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter in regard to open carry laws.
- B. §551.076 Deliberation regarding security devices.

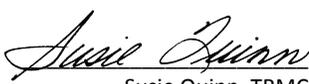
- C. § 551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the Murphy Municipal Development District Members

**10. RECONVENE INTO REGULAR SESSION**

The City Council will reconvene into Regular Session, pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, to take any action necessary regarding:

- A. §551.071 Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter in regard to open carry laws.
- B. §551.076 Deliberation regarding security devices.
- C. § 551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the Murphy Municipal Development District Members
- D. Take Action on any Executive Session Items.

**11. ADJOURNMENT**

<p>I certify that this is a true and correct copy of the Murphy City Council Meeting Agenda and that this notice was posted on the designated bulletin board at Murphy City Hall, 206 North Murphy Road, Murphy, Texas 75094; a place convenient and readily accessible to the public at all times, and said notice was posted on <u>December 31, 2015</u> by 5:30 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.</p> <p style="text-align: right;"> Susie Quinn, TRMC City Secretary</p>
<p>In compliance with the American with Disabilities Act, the City of Murphy will provide for reasonable accommodations for persons attending public meetings at City Hall. Requests for accommodations or interpretive services must be received at least 48 hours prior to the meeting. Please contact the City Secretary at 972.468.4011 or squinn@murphytx.org.</p>

Notice of Possible Quorum: There may be a quorum of the Animal Shelter Advisory Committee, the Board of Adjustment, the Building and Fire Code Appeals Board, the Ethics Review Commission, the Murphy Community Development Corporation, the Murphy Municipal Development District Board, the Park and Recreation Board and/or the Planning and Zoning Commission members who may be present at the meeting, but they will not deliberate on any city or board business.

CITY COUNCIL MINUTES  
REGULAR CITY COUNCIL MEETING (COUNCIL CHAMBERS)  
AND WORK SESSION (COMMUNITY ROOM)  
DECEMBER 1, 2015 AT 6:00 PM

**1. CALL TO ORDER**

Mayor Eric Barna called the meeting to order at 6:00 pm.

**2. INVOCATION & PLEDGE OF ALLEGIANCE**

Councilmember Betty Spraggins gave the invocation and Mayor Barna led the Pledge of Allegiance.

**3. ROLL CALL & CERTIFICATION OF A QUORUM**

Susie Quinn, City Secretary, certified a quorum with the following Councilmembers present:

- Mayor Eric Barna
- Mayor Pro Tem Scott Bradley
- Deputy Mayor Pro Tem Owais Siddiqui
- Councilmember Ben St. Clair
- Councilmember Betty Nichols Spraggins
- Councilmember Sarah Fincanon
- Councilmember Rob Thomas

**4. PUBLIC COMMENTS**

**Ray Shahan**, resident, continued his discussion regarding the perceived errors that he says occurred with the approval of Ordinance No. 03-10-590, in 2003 making the Ordinance illegal. Following his statements, City Manager James Fisher explained to Council that the City Attorney issued comments explaining that the Zoning Ordinance has been in place since 2003 and was amended and approved again in 2011. The Local Government Code validates the ordinance as it was not challenged within the three year time period as allowed by law.

**5. CONSENT AGENDA**

All consent agenda items are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and voted on separately.

- A. Consider and/or act on the November 17, 2015 regular meeting minutes.
- B. Consider and/or act on the application of Forestar (USA) Real Estate Group, Inc. requesting approval of the Final Plat for Maxwell Creek North, Phase 11B on property zoned PD (Planned Development) District for Single Family Uses (Ordinance No. 00-06-487). This property is located generally southwest of the intersection at McMillan and McCreary.
- C. Consider and/or act on the application of Cole Franklin with Skorburg Company, requesting approval of a construction plat and landscape plans for Murphy Meadows, PD (Planned Development) No. 15-09-1001 on property located at the southwest corner of Betsy Road and McCreary Road.

- D. Consider and/or act upon an Alcohol Policy for the Murphy Community Center and Murphy Activity Center.

***COUNCIL ACTION (5.A. THROUGH 5.D.):***

***APPROVED***

**Mayor Pro Tem Bradley moved to approve the consent agenda as presented with the updated minutes which removed the stated time of Deputy Mayor Pro Tem Siddiqui's arrival to the November 17, 2015 meeting. Councilmember Fincanon seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.**

**6. CITY MANAGER/STAFF REPORTS**

- A. Timbers Nature Preserve

This project is nearly complete and will be wrapping up.

- B. Betsy Lane Road Widening Project

This project is ahead of schedule, looking like it will be complete in February 2016.

- C. South Maxwell Creek Parallel Trunk Sewer Line

This project has been delayed due to the weather and excessive rain.

- D. North Murphy Road

This project is moving forward.

- E. Christmas in the Park – Thursday, December 3, 2015

There will be a mini-parade to start this event, and requested Council to arrive at the Fire Station by 4:30PM that day.

- F. Boards and Commission Dinner – Thursday, December 10, 2015

Just a reminder and a hope that the Council and Board members will attend.

- G. Holiday Closing – Thursday, December 24, 2015 Friday, December 25, 2015 and Friday, January 1, 2016

**7. EXECUTIVE SESSION**

In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council will now recess into Executive Session (closed meeting) to discuss the following:

- A. § 551.087 Deliberation regarding economic development.

- B. § 551.072 Deliberation regarding real property.

- C. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the

- a. City of Murphy Planning and Zoning Commissioners;
- b. Board of Adjustment Board Members;
- c. Murphy Municipal Development District Members;

- d. Murphy Community Development Members;
- e. Ethics Review Commission Members;
- f. Building and Fire Code Board of Appeals Members.

**8. RECONVENE INTO REGULAR SESSION**

The City Council will reconvene into Regular Session, pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, to take any action necessary regarding:

- A. § 551.087 Deliberation regarding economic development.
- B. § 551.072 Deliberation regarding real property.
- C. § 551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the
  - a. City of Murphy Planning and Zoning Commissioners;
  - b. Board of Adjustment Board Members;
  - c. Murphy Municipal Development District Members;
  - d. Murphy Community Development Members;
  - e. Ethics Review Commission Members;
  - f. Building and Fire Code Board of Appeals Members.
- D. Take Action on any Executive Session Items.

**9. INDIVIDUAL CONSIDERATION**

- A. Consider and/or act upon the recommendations from the Council Interview Panel regarding appointing board members to the Planning and Zoning Commission, Board of Adjustments, Murphy Municipal Development District, Murphy 4B Community Development District, the Animal Shelter Advisory Committee, the Ethics Review Commission, the Parks and Recreation Board and the Building and Fire Code Board of Appeals.

Mayor Pro Tem Scott Bradley presented the following recommendations (yellow highlighted names) for appointments and reappointments:

ANIMAL SHELTER ADVISORY COMMITTEE - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Tammy Drake, ACO					City Employee
Kim Parker (City Official)	8/6/2013	12/9/2014	2	2015-2016	City Employee
Buddy Russell	7/6/2010	12/9/2014	3	2015-2016	Completing term
Lorraine Chalkley	7/6/2010	12/9/2014	3	2015-2016	Completing term
Lyle Bartram	12/1/2015	12/1/2015	1	2016-2017	Reappointed
Maggie Whitt	12/10/2013	12/1/2015	2	2016-2017	Reappointed

BOARD OF ADJUSTMENT - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Scott Holden	6/6/2006	12/9/2014	5	2015-2016	Completing term
Beverly Gaither	12/11/2012	12/1/2015	3	2016-2017	Reappointed
Christine Johnson	6/20/2005	12/9/2014	5	2015-2016	Completing term
Sharon Kindall	1/2/2013	12/1/2015	3	2016-2017	Reappointed
Lindy Martin	12/11/2012	12/1/2015	3	2016-2017	Reappointed
Taylor Packwood	12/10/2013	12/9/2014	1	2015-2016	Completing term
Mahendra Parikh	1/31/2012	12/1/2015	3	2016-2017	Moved from Planning & Zoning
Kenneth Tatsch, Alternate	1/31/2012	12/1/2015	3	2016-2017	Reappointed
Darrell Amsden, Alternate	12/9/2014	12/9/2014	1	2015-2016	Reappointed
Dr. Rajan Subra, Alternate	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed as alternate
BUILDING AND FIRE CODE APPEALS BOARD - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Christine Johnson	7/2/2007	12/1/2015	5	2016-2017	Reappointed
Donald Decker	7/6/2010	12/9/2014	3	2015-2016	Completing term
Chris Martin	12/9/2014	12/9/2014	1	2015-2016	Completing term
Greg Mersch	12/10/2013	12/1/2015	2	2016-2017	Reappointed
Laurel Clement	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed
Christine Johnson	7/2/2007	12/1/2015	5	2016-2017	Reappointed
COMMUNITY DEVELOPMENT CORPORATION - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Shawn Balusek	12/11/2012	12/9/2014	2	2015-2016	Completing term
Jennifer Berthiaume	3/5/2013	12/9/2014	2	2015-2016	Completing term
Amanda Turner	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed
Lequita Davenport	12/10/2013	12/1/2015	2	2016-2017	Reappointed
Srinath Alapati	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed
Maria Reilly	12/9/2014	12/9/2014	1	2015-2016	Completing term
Karen Chetal	12/9/2014	12/1/2015	2	2016-2017	Moved from BOA
ETHICS REVIEW COMMISSION - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Barbara Harless	1/31/2012	12/1/2015	3	2016-2017	Reappointed
Andrew Chase	12/11/2012	1/1/2013	2	2015-2016	Completed term
Jennifer Davis	12/9/2014	12/1/2015	2	2016-2017	Reappointed
Thomas McDade	12/11/2012	1/1/2013	2	2015-2016	Completed term
Lindy Martin	12/11/2012	12/1/2015	3	2016-2017	Appointed (BOA, too)

MURPHY MUNICIPAL DEVELOPMENT DISTRICT BOARD - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
John Daugherty	9/17/2013	1/1/2014	1	2014-2015	No change as of 12-1-15
Jamie Nicholson	12/11/2012	12/9/2014	2	2015-2016	Completing term
Alex Acuña	12/10/2013	1/1/2014	1	2014-2015	No change as of 12-1-15
Alain Dermarkar	12/11/2012	12/9/2014	2	2015-2016	Completing term
Eric Lopez	12/10/2013	1/1/2014	1	2014-2015	No change as of 12-1-15
PARK & RECREATION BOARD - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Katie Westhora	1/31/2012	12/1/2015	3	2016-2017	Reappointed
Kenneth Oltmann	1/31/2012	12/1/2015	3	2016-2017	Reappointed
Amy Lawrence	1/31/2012	12/1/2015	3	2016-2017	Newly Appointed
Kelly Abdellatif	12/10/2013	12/9/2014	2	2015-2016	Completing term
Stephen Janiga	12/11/2012	12/1/2015	3	2016-2017	Reappointed
Matt Harrison	12/9/2014	12/9/2014	1	2015-2016	Completing term
Robbie Hazelbaker	9/17/2013	12/9/2014	1	2015-2016	Completing term
PLANNING & ZONING COMMISSION - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	TERM #	CURRENT TERM	APPOINTMENT STATUS
Steve Levy	7/6/2009	12/1/2015	4	2016-2017	Reappointed
Jon King	7/19/2010	12/9/2014	2	2015-2016	Completing term
Camille Hooper	1/31/2012	12/1/2015	3	2016-2017	Reappointed
John Johnson	1/31/2012	12/1/2015	3	2016-2017	Reappointed
Lloyd Jones	12/10/2013	12/9/2014	2	2015-2016	Completing term
Greg Mersch	12/11/2012	12/9/2014	2	2015-2016	Completing term
Don Reilly	12/10/2013	12/9/2014	1	2015-2016	Completing term
Randal Newhouse, Alternate	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed
Julie Kamm, Alternate	12/1/2015	12/1/2015	1	2016-2017	Newly Appointed

**COUNCIL ACTION (9.A.):**

**APPROVED**

Mayor Pro Tem Bradley moved to approve appointments as stated. Deputy Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

- B. Consider and/or act upon Resolution Number 15-R-824 approving and authorizing an economic development incentive agreement.

There was no discussion on this item.

**COUNCIL ACTION (7.B.):**

**APPROVED**

Mayor Pro Tem Bradley moved to approve the Resolution Number 15-R-824 approving and authorizing an economic development incentive agreement. Deputy Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

- C. Discuss, consider and/or act with regard to the December 15, 2015, City Council meeting.

City Manager, James Fisher explained the reasons for cancelling this meeting and the mayor further explained.

**COUNCIL ACTION (7.C.):**

**APPROVED**

Mayor Pro Tem Bradley moved to approve cancelling the December 15, 2015 meeting by removing it from the calendar. Deputy Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

## 10. ADJOURNMENT

With no further business, the regular council meeting was adjourned at 7:14 pm.

## 11. OPEN WORKSESSION – CONVENE TO THE COMMUNITY ROOM

- A. Discussion on the Community Survey.

Council reconvened into the Community Room to discuss the Community Survey at 7:20 p.m.

Kristen Roberts explained we had an exceptional number of responses for the survey and introduced the consultants Bonnie Kenoly and Mary Handley of Decision Analyst. The representatives explained that 765 responses were received. She explained how the data was collected, and how it was used in the results.

The residents responded with traffic signal timing, traffic flow, and travel within the city are all areas that needed improvement. There were comments of concern regarding these issues, along with growth concerns. Ninety-one percent (91%) reported excellent quality of life; location and safety were also highly scored. As far as the negatives being reported, growth, traffic issues, and too many drive thru eating establishments were all high. The more positive attributes that were scored were safety, culturally diverse, and quality of life.

Overall, the traffic signals, traffic flow and road repairs were on the negative scale throughout the survey results.

In regards to tax rate and tax dollars, over two thirds of the respondents felt like they were getting their money's worth with twenty percent (20%) responding "no" to that question. There was also a question asking if you wanted changes to the services/tax rate currently provided, the majority felt they were pleased with the services provided. Seventeen percent (17%) said they would prefer lower taxes and decrease services.

Most responses were fairly represented across the board as far as age, income and number of years in Murphy. Council was sent the raw data.

City performance ratings were for the most part positive, with regards to safety, security, and attractive unique spaces. Some items that need improvement according to the survey are creating developing/implementing programs for retaining existing businesses, vibrant sustainable economy, attracting businesses and jobs to the area, and code compliance.

There was some discussion regarding libraries, and if residents are satisfied with the current services. There were a small percentage of negative responses regarding speeding in neighborhoods, tall weeds, dilapidated fences, and condition of sidewalks. Over all, those percentages were very low.

In general the city departments were rated in a positive range. Many departments were scored with the response “not having any interaction with the department” but overall rated well. There was discussion regarding the specific departments, and the overall survey results. One of the most positive results was the eighty seven percent (87%) of the respondents stating that they would recommend to their friends to live in Murphy.

Work Session adjourned at 8:11 pm.

APPROVED BY:

\_\_\_\_\_  
Eric Barna, Mayor

ATTEST:

\_\_\_\_\_  
Susie Quinn, City Secretary

**City Council Meeting  
January 5, 2016**

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**Issue**

Consider and/or act upon approval of Resolution Number 16-R-824 designating investment officers of the City and approving the investment policy for the investment of municipal funds.

**Staff Resource/Department**

James Fisher – City Manager  
Linda Truitt – Finance Director

**Background/History**

The current investment policy was adopted by Resolution on September 2, 2014. The investment policy should be reviewed and approved annually by City Council.

This policy determines the way financial investments are handled for the City and authorizes the City Manager, Director of Finance and Assistant Director of Finance as the designated investment officers. The City banking depository is required to adhere to those investment policies and repurchase agreement terms authorized in the policy.

The policy presented for Council approval is the same as the policy approved on September 2, 2014.

Investment officers are required to attend training on public funds investing at least every two years. The City Manager, Director of Finance, and Assistant Director of Finance have attended the required training.

**Financial Considerations**

N/A

**Action Requested**

Approve Resolution designating investment officers of the City and approving the investment policies for the investment of municipal funds.

**Attachments**

- 1) Resolution Number 16-R-824
- 2) Exhibit A – Investment Policy
- 3) Public Funds Investment Act

**RESOLUTION NO. 16-R-824**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, DESIGNATING INVESTMENT OFFICERS OF THE CITY; APPROVING THE INVESTMENT POLICIES FOR THE INVESTMENT OF MUNICIPAL FUNDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council recognizes the necessity of utilizing the public funds entrusted to it by the citizens of Murphy in the most advantageous manner so as to maximize the benefit of those funds for the citizens of Murphy, Texas; and

**WHEREAS**, the City Council recognizes the necessity of protecting the principal of those funds and ensure the ready accessibility of such funds; and

**WHEREAS**, section 2256.005(b) of the Texas Government Code, as amended, requires the City to adopt a written investment policy regarding the investment of City funds which emphasizes safety of principal and liquidity; addresses investment diversification, yield, maturity, and the quality and capability of investment management; and

**WHEREAS**, pursuant to section 2256.005(f) of the Texas Government Code, as amended, City Council may designate by ordinance or resolution, one or more City officers or City employees as investment officer who shall be responsible for the investment of the City's funds consistent with the City's investment policy and the laws of the State of Texas; and

**WHEREAS**, the City Council desires to adopt regulations governing the investment of the funds entrusted to it by the citizens of Murphy, Texas.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AS FOLLOWS:**

**Section 1.** That the foregoing recitals are hereby found to be true and correct findings of the City of Murphy, Texas, and are fully incorporated into the body of this resolution.

**Section 2.** That the City of Murphy does appoint the Finance Director as the primary Investment Officer and the City Manager and Assistant Finance Director as secondary Investment Officers. The designated Investment Officers will attend such training and at such times as is necessary to maintain the State standard of competency for an Investment Officer.

**Section 3.** That the City of Murphy does hereby adopt Texas Government Code, Chapter 2256, Public Funds Investment Act, in its entirety, as the rule and guide for the investment of such public funds as are entrusted to it and are deemed suitable for investment purposes. The Investment Policy attached hereto as *Exhibit A* ("Investment Policy of the City of Murphy, Texas"), and made a part hereof for all purposes is hereby adopted as the Investment Policy of the City of Murphy, Texas, as required by Chapter 2256 of the Texas Government Code.

**Section 4.** If any word, section, article, phrase, paragraph, sentence, clause, or portion of this resolution or application thereto to any person or circumstance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this ordinance; and the City Council hereby declares it would have passed such remaining portions of this ordinance despite such invalidity which remaining portions shall remain in full force and effect.

**Section 5.** This resolution shall become effective from and after its passage.

**DULY RESOLVED** by the City Council of the City of Murphy, Texas, on this the 5<sup>th</sup> day of January, 2016.

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Eric Barna, Mayor  
City of Murphy

ATTEST:

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Susie Quinn, City Secretary  
City of Murphy

APPROVED AS TO FORM AND LEGALITY:

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Wm. Andrew Messer, City Attorney  
City of Murphy

***EXHIBIT A***

**INVESTMENT POLICY  
OF THE  
CITY OF MURPHY, TEXAS**

## **I. POLICY STATEMENT**

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Murphy in order to achieve the goals of safety, liquidity, yield, and public trust for all investment activity. This policy serves to satisfy the statutory requirements of the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, as amended.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act (the "Act"). The earnings from investment will be used in a manner that best serves the interests of the City.

## **II. OBJECTIVES OF INVESTMENT POLICIES**

The primary objectives of the City's investment program in order of priority shall be preservation and safety of principal, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit and maturity. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local law.

### **(a) SAFETY OF PRINCIPAL:**

The foremost and primary objective of the City's investment program is the preservation and safety of capital of the overall portfolio. Each investment transaction will seek first to ensure that capital losses are avoided, whether the loss occurs from the default of a security or from erosion of market value. The objectives will be to mitigate credit risk and interest rate risk. To control credit risk, investments should be limited to the safest types of securities. Financial institutions, broker/dealers and advisers who serve as intermediaries, shall be pre-qualified by the City. The credit ratings of investment pools and individual securities will be monitored to assure compliance with this policy and state law.

To control interest rate risk, the City will structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations and will monitor marketable securities daily. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position's maturity, the Investment Officer may approve the holding of the security to maturity.

### **(b) LIQUIDITY:**

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by

diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, the portfolio, or portions thereof may be placed in money market mutual funds or local government investment pools, which offer same day liquidity for short-term funds.

(c) **DIVERSIFICATION:**

Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding will be used on sale and purchase.

(d) **YIELD:**

The City's investment portfolio will be designed with the objective of regularly meeting or exceeding the average rate of return on three month U.S. Treasury Bills. The investment program will seek to augment returns above this threshold consistent with risk constraints identified herein, cash flow characteristics of the portfolio and prudent investment principles. Investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Marketable securities shall not be sold prior to maturity with the following exceptions:

- (1) A security with declining credit may be sold early to minimize loss of principal.
- (2) A security swap that would improve the quality, yield or target duration in the portfolio.
- (3) Liquidity needs of the portfolio require that the security be sold.
- (4) If market conditions present an opportunity for the City to benefit from the sale.

Funds held for future capital projects will be invested in such a way as to try to produce enough income to offset inflationary construction cost increases. However, such funds will never be unduly exposed to market price risks that would jeopardize the assets available to accomplish their stated objective, or be invested in a manner inconsistent with applicable federal and state regulations. Yields on debt proceeds that are not exempt from federal arbitrage regulations are limited to the arbitrage yield of the debt obligation. Investment officials will seek to preserve principal and maximize the yield of these funds in the same manner as all other city funds. However, it is understood that if the yield achieved by the city is higher than the arbitrage yield, positive arbitrage income will be averaged over a five year period and netted against any negative arbitrage Income and the net amount shall be rebated to the federal government as required by current federal regulations.

(e) **PUBLIC TRUST:**

All participants in the investment process will seek to act responsibly as custodians of the public trust. Investment officials will avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented. The Investment Officer shall adhere to the City of Murphy Code of Conduct and City Charter.

**III. PRUDENT INVESTOR RULE**

- (a) The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule as provided in section 2256.006 of the Texas Government Code, as amended. This section states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."
- (b) Investment officers acting in accordance with written procedures and exercising due diligence, shall not be held personally liable for a specific security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. The City will perform a compliance audit of management controls on investments and adherence to investment policies annually. Pursuant to section 2256.006(b) of the Texas Government Code, as amended, in determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration: (1) the investment of all funds, or funds under the City's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and (2) whether the investment decision was consistent with the written investment policy of the City of Murphy.
- (c) In accordance with section 2256.008 of the Texas Government Code, as amended, the Investment Officers shall attend ten (10) hours of investment training within twelve (12) months of assuming duties and ten (10) hours within every succeeding two (2) years. The investment training session shall be provided by an independent source approved by the Investment Review Committee. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Act.

#### IV. INVESTMENT PORTFOLIO

The City of Murphy shall invest in such investments as are lawful as enumerated in Texas Government Code, Chapter 2256, Public Funds Investment Act, sections 2256.009 through 2256.016. The City reserves the right to further restrict the types of investments which can be made. No investment shall be made until it shall have a full and detailed explanation to the Council and approval given therefore by a majority vote of the Council then present. Assets of the City of Murphy may be invested in the following instruments if deemed an authorized investment pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code, and includes the following:

- (a) obligations of the United States of America, its agencies and instrumentalities, not to exceed two years to stated maturity, excluding mortgage-backed securities;
- (b) direct obligations of the State of Texas or its agencies and instrumentalities;
- (c) 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;
- (d) other obligations, the principal and interest of which are unconditional guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or the respective agencies and instrumentalities;
- (e) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
- (f) certificates of deposits issued by a state or national bank domiciled in the state or a savings and loan association domiciled in this state and is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Insurance Fund or its successor secured by obligations that are described in A through E above, to include certificates of deposit purchased through the CDARS program with a Texas bank;
- (g) a fully collateralized signed master repurchase agreement provided the repurchase agreement approved by City Council: has a defined termination date; is secured by obligations described in A above; security's market value must be a minimum of 102% of the principal value of the repurchase agreement; requires the securities being purchased by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the entity; and is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state; the safekeeping portion of the agreement shall define the City's rights to collateral in case of default, bankruptcy or closing and shall establish a perfected security interest in compliance with Federal and State regulations;

- (h) an authorized securities lending program;
- (i) an authorized banker's acceptance; financial institution serving as City depository will be required to sign a depository agreement with the City and the City's safekeeping agent;
- (j) commercial paper which has a stated maturity of 270 days or fewer from the date of its issuance; is rated not less than A-1 or P-1 or an equivalent rating by at least: two (2) nationally recognized credit rating agencies; or one (1) nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;
- (k) an authorized no-load money market mutual fund which is registered with and regulated by the Securities and Exchange Commission; provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); has a dollar-weighted average stated maturity of 90 days or fewer; and includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share;
- (l) guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract: has a defined termination date; is secured by obligations described in A above, and is pledged to the City and deposited with the City or with a third party selected and approved by the City; and
- (m) an eligible investment pool if the City Council of the City of Murphy by ordinance, or resolution authorizes investment in the particular pool.

**V. TERM OF INVESTMENTS**

The maximum maturity of any individual security the City may invest in shall be five (5) years.

**VI. MONITORING OF THE MARKET VALUE OF INVESTMENTS**

The Investment Officer(s), with the help of City Council, as needed, shall determine the market value of each investment and of all collateral pledged to secure deposits of City funds at least quarterly and at a time as close as practicable to the closing of the reporting period for the investments. Such values shall be included on the investment report. The following methods shall be used:

- (a) Certificates of deposit shall be valued at their face value plus any accrued but unpaid interest;

- (b) Shares in money market mutual funds and investment pools shall be valued at par plus any accrued but unpaid interest;
- (c) Other investment securities with a remaining maturity of one year or less may be valued in any of the following ways:
  - (1) the lower of two bids obtained from securities broker/dealers for such security;
  - (2) the average of the bid and asked prices for such investment security as published in *The Wall Street Journal* or *The New York Times*;
  - (3) the bid price published by any nationally recognized security pricing service; or
  - (4) the market value quoted by the seller of the security or the owner of such collateral.
- (d) Other investment securities with a remaining maturity of greater than one year shall be valued at the lower of two bids obtained from securities broker/dealers for such security, unless two bids are not available, in which case the securities may be valued in any manner provided in this section.

## **VII. MISCELLANEOUS PROVISIONS**

For funds invested in a pooled fund group, the maximum dollar-weighted average maturity allowance is two (2) years. This average is subject to change as necessary to maintain the maximum rate of return. Any such change must be approved by a majority vote of the City Council then present prior to being made effective.

All transactions, excepting those for mutual funds or investment pool funds, shall be settled on a delivery versus payment basis.

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2256. PUBLIC FUNDS INVESTMENT

SUBCHAPTER A. AUTHORIZED INVESTMENTS FOR GOVERNMENTAL ENTITIES

Sec. 2256.001. SHORT TITLE. This chapter may be cited as the Public Funds Investment Act.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.002. DEFINITIONS. In this chapter:

(1) "Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by an entity, and reserves and funds maintained by an entity for debt service purposes.

(2) "Book value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.

(3) "Funds" means public funds in the custody of a state agency or local government that:

(A) are not required by law to be deposited in the state treasury; and

(B) the investing entity has authority to invest.

(4) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

(5) "Investing entity" and "entity" mean an entity subject to this chapter and described by Section 2256.003.

(6) "Investment pool" means an entity created under this code to invest public funds jointly on behalf of the

entities that participate in the pool and whose investment objectives in order of priority are:

- (A) preservation and safety of principal;
- (B) liquidity; and
- (C) yield.

(7) "Local government" means a municipality, a county, a school district, a district or authority created under Section 52(b)(1) or (2), Article III, or Section 59, Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the State of Texas, and any nonprofit corporation acting on behalf of any of those entities.

(8) "Market value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.

(9) "Pooled fund group" means an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

(10) "Qualified representative" means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

(A) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;

(B) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution;

(C) for an investment pool, the person authorized by the elected official or board with authority to

administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or

(D) for an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or, if not subject to registration under that Act, registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

(11) "School district" means a public school district.

(12) "Separately invested asset" means an account or fund of a state agency or local government that is not invested in a pooled fund group.

(13) "State agency" means an office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 1, eff. Sept. 1, 1999.

Sec. 2256.003. AUTHORITY TO INVEST FUNDS; ENTITIES SUBJECT TO THIS CHAPTER. (a) Each governing body of the following entities may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by the governing body and according to the standard of care prescribed by Section 2256.006:

- (1) a local government;
- (2) a state agency;
- (3) a nonprofit corporation acting on behalf of a local government or a state agency; or
- (4) an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

(b) In the exercise of its powers under Subsection (a), the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under authority of this subsection may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of the investing entity by order, ordinance, or resolution.

(c) This chapter does not prohibit an investing entity or investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under this chapter.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 2, eff. Sept. 1, 1999.

Sec. 2256.004. APPLICABILITY. (a) This subchapter does not apply to:

(1) a public retirement system as defined by Section 802.001;

(2) state funds invested as authorized by Section 404.024;

(3) an institution of higher education having total endowments of at least \$95 million in book value on May 1, 1995;

(4) funds invested by the Veterans' Land Board as authorized by Chapter 161, 162, or 164, Natural Resources Code;

(5) registry funds deposited with the county or district clerk under Chapter 117, Local Government Code; or

(6) a deferred compensation plan that qualifies under either Section 401(k) or 457 of the Internal Revenue Code of 1986 (26 U.S.C. Section 1 et seq.), as amended.

(b) This subchapter does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 505, Sec. 24, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 8.21, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1454, Sec. 3, eff. Sept. 1, 1999.

Sec. 2256.005. INVESTMENT POLICIES; INVESTMENT STRATEGIES; INVESTMENT OFFICER. (a) The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control.

(b) The investment policies must:

- (1) be written;
- (2) primarily emphasize safety of principal and liquidity;
- (3) address investment diversification, yield, and maturity and the quality and capability of investment management; and
- (4) include:
  - (A) a list of the types of authorized investments in which the investing entity's funds may be invested;
  - (B) the maximum allowable stated maturity of any individual investment owned by the entity;
  - (C) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;
  - (D) methods to monitor the market price of investments acquired with public funds;

(E) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and

(F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section 2256.021.

(c) The investment policies may provide that bids for certificates of deposit be solicited:

- (1) orally;
- (2) in writing;
- (3) electronically; or
- (4) in any combination of those methods.

(d) As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the entity;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if the need arises to liquidate the investment before maturity;
- (5) diversification of the investment portfolio; and
- (6) yield.

(e) The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

(f) Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers

or employees of the state agency, local government, or investment pool as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of this chapter. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

(g) Subsection (f) does not apply to a state agency, local government, or investment pool for which an officer of the entity is assigned by law the function of investing its funds.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 685,  
Sec. 1

(h) An officer or employee of a commission created under Chapter 391, Local Government Code, is ineligible to be an investment officer for the commission under Subsection (f) if the officer or employee is an investment officer designated under Subsection (f) for another local government.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch.  
1421, Sec. 3

(h) An officer or employee of a commission created under Chapter 391, Local Government Code, is ineligible to be designated as an investment officer under Subsection (f) for any investing entity other than for that commission.

(i) An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

(1) the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

(2) funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or

(3) the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

(j) The governing body of an investing entity may specify in its investment policy that any investment authorized by this chapter is not suitable.

(k) A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with an investing entity or to an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. For purposes of this subsection, a business organization includes investment pools and an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. Nothing in this subsection relieves the investing entity of the responsibility for monitoring the investments made by the investing entity to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

(1) received and reviewed the investment policy of the entity; and

(2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

(l) The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a person who has not delivered to the entity the instrument required by Subsection (k).

(m) An investing entity other than a state agency, in conjunction with its annual financial audit, shall perform a

compliance audit of management controls on investments and adherence to the entity's established investment policies.

(n) Except as provided by Subsection (o), at least once every two years a state agency shall arrange for a compliance audit of management controls on investments and adherence to the agency's established investment policies. The compliance audit shall be performed by the agency's internal auditor or by a private auditor employed in the manner provided by Section 321.020. Not later than January 1 of each even-numbered year a state agency shall report the results of the most recent audit performed under this subsection to the state auditor. Subject to a risk assessment and to the legislative audit committee's approval of including a review by the state auditor in the audit plan under Section 321.013, the state auditor may review information provided under this section. If review by the state auditor is approved by the legislative audit committee, the state auditor may, based on its review, require a state agency to also report to the state auditor other information the state auditor determines necessary to assess compliance with laws and policies applicable to state agency investments. A report under this subsection shall be prepared in a manner the state auditor prescribes.

(o) The audit requirements of Subsection (n) do not apply to assets of a state agency that are invested by the comptroller under Section 404.024.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 685, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 785, Sec. 41, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 1, eff. June 17, 2011.

Sec. 2256.006. STANDARD OF CARE. (a) Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:

- (1) preservation and safety of principal;
- (2) liquidity; and
- (3) yield.

(b) In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (1) the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with the written investment policy of the entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.007. INVESTMENT TRAINING; STATE AGENCY BOARD MEMBERS AND OFFICERS. (a) Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under this chapter within six months after taking office or assuming duties.

(b) The Texas Higher Education Coordinating Board shall provide the training under this section.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) An investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from any independent source approved by the governing body of the state agency. The investment officer shall prepare a report on this subchapter and deliver the report to the governing body of the state agency not later than the 180th day after the last day of each regular session of the legislature.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 73, Sec. 1, eff. May 9, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 4, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 5, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 2, eff. June 17, 2011.

Sec. 2256.008. INVESTMENT TRAINING; LOCAL GOVERNMENTS.

(a) Except as provided by Subsections (b) and (e), the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

(1) attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking office or assuming duties; and

(2) except as provided by Subsections (b) and (e), attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than 10 hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the

governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

(b) An investing entity created under authority of Section 52(b), Article III, or Section 59, Article XVI, Texas Constitution, that has contracted with an investment management firm under Section 2256.003(b) and has fewer than five full-time employees or an investing entity that has contracted with another investing entity to invest the entity's funds may satisfy the training requirement provided by Subsection (a)(2) by having an officer of the governing body attend four hours of appropriate instruction in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date. The treasurer or chief financial officer of an investing entity created under authority of Section 52(b), Article III, or Section 59, Article XVI, Texas Constitution, and that has fewer than five full-time employees is not required to attend training required by this section unless the person is also the investment officer of the entity.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) Not later than December 31 each year, each individual, association, business, organization, governmental entity, or other person that provides training under this section shall report to the comptroller a list of the governmental entities for which the person provided required training under this section during that calendar year. An individual's reporting requirements under this subsection are satisfied by a report of the individual's employer or the sponsoring or organizing entity of a training program or seminar.

(e) This section does not apply to a district governed by Chapter 36 or 49, Water Code.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 5, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 69, Sec. 4, eff. May 14, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 3, eff. June 17, 2011.

Sec. 2256.009. AUTHORIZED INVESTMENTS: OBLIGATIONS OF, OR GUARANTEED BY GOVERNMENTAL ENTITIES. (a) Except as provided by Subsection (b), the following are authorized investments under this subchapter:

(1) obligations, including letters of credit, of the United States or its agencies and instrumentalities;

(2) direct obligations of this state or its agencies and instrumentalities;

(3) 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;

(4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

(5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; and

(6) bonds issued, assumed, or guaranteed by the State of Israel.

(b) The following are not authorized investments under this section:

(1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

(2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;

(3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and

(4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 7, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 558, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 4, eff. June 17, 2011.

Sec. 2256.010. AUTHORIZED INVESTMENTS: CERTIFICATES OF DEPOSIT AND SHARE CERTIFICATES. (a) A certificate of deposit or share certificate is an authorized investment under this subchapter if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

(1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;

(2) secured by obligations that are described by Section 2256.009(a), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section 2256.009(b); or

(3) secured in any other manner and amount provided by law for deposits of the investing entity.

(b) In addition to the authority to invest funds in certificates of deposit under Subsection (a), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter:

(1) the funds are invested by an investing entity through:

(A) a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Section 2256.025; or

(B) a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;

(2) the broker or the depository institution selected by the investing entity under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;

(3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and

(4) the investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section 2257.041(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Amended by Acts 1995, 74th Leg., ch. 32, Sec. 1, eff. April 28, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1,

1995; Acts 1997, 75th Leg., ch. 1421, Sec. 6, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. [128](#), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 5, eff. June 17, 2011.

Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS. (a) A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:

- (1) has a defined termination date;
- (2) is secured by a combination of cash and obligations described by Section 2256.009(a)(1); and
- (3) requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and
- (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

(b) In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Section 2256.009(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

(c) Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

(d) Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire

additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 6, eff. June 17, 2011.

Sec. 2256.0115. AUTHORIZED INVESTMENTS: SECURITIES LENDING PROGRAM. (a) A securities lending program is an authorized investment under this subchapter if it meets the conditions provided by this section.

(b) To qualify as an authorized investment under this subchapter:

(1) the value of securities loaned under the program must be not less than 100 percent collateralized, including accrued income;

(2) a loan made under the program must allow for termination at any time;

(3) a loan made under the program must be secured by:  
(A) pledged securities described by Section 2256.009;

(B) pledged irrevocable letters of credit issued by a bank that is:

(i) organized and existing under the laws of the United States or any other state; and

(ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or

(C) cash invested in accordance with Section:

(i) 2256.009;

(ii) 2256.013;

(iii) 2256.014; or

(iv) 2256.016;

(4) the terms of a loan made under the program must require that the securities being held as collateral be:

(A) pledged to the investing entity;

(B) held in the investing entity's name; and

(C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;

(5) a loan made under the program must be placed through:

(A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003; or

(B) a financial institution doing business in this state; and

(6) an agreement to lend securities that is executed under this section must have a term of one year or less.

Added by Acts 2003, 78th Leg., ch. 1227, Sec. 1, eff. Sept. 1, 2003.

Sec. 2256.012. AUTHORIZED INVESTMENTS: BANKER'S ACCEPTANCES. A bankers' acceptance is an authorized investment under this subchapter if the bankers' acceptance:

(1) has a stated maturity of 270 days or fewer from the date of its issuance;

(2) will be, in accordance with its terms, liquidated in full at maturity;

(3) is eligible for collateral for borrowing from a Federal Reserve Bank; and

(4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.013. AUTHORIZED INVESTMENTS: COMMERCIAL PAPER. Commercial paper is an authorized investment under this subchapter if the commercial paper:

(1) has a stated maturity of 270 days or fewer from the date of its issuance; and

(2) is rated not less than A-1 or P-1 or an equivalent rating by at least:

(A) two nationally recognized credit rating agencies; or

(B) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.014. AUTHORIZED INVESTMENTS: MUTUAL FUNDS. (a) A no-load money market mutual fund is an authorized investment under this subchapter if the mutual fund:

(1) is registered with and regulated by the Securities and Exchange Commission;

(2) provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.);

(3) has a dollar-weighted average stated maturity of 90 days or fewer; and

(4) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

(b) In addition to a no-load money market mutual fund permitted as an authorized investment in Subsection (a), a no-

load mutual fund is an authorized investment under this subchapter if the mutual fund:

- (1) is registered with the Securities and Exchange Commission;
- (2) has an average weighted maturity of less than two years;
- (3) is invested exclusively in obligations approved by this subchapter;
- (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
- (5) conforms to the requirements set forth in Sections 2256.016(b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities.

(c) An entity is not authorized by this section to:

- (1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Subsection (b);
- (2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Subsection (b); or
- (3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Subsection (a) or (b) in an amount that exceeds 10 percent of the total assets of the mutual fund.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 8, eff. Sept. 1, 1999.

Sec. 2256.015. AUTHORIZED INVESTMENTS: GUARANTEED INVESTMENT CONTRACTS. (a) A guaranteed investment contract is

an authorized investment for bond proceeds under this subchapter if the guaranteed investment contract:

- (1) has a defined termination date;
- (2) is secured by obligations described by Section 2256.009(a)(1), excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract; and
- (3) is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.

(b) Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested under this subchapter in a guaranteed investment contract with a term of longer than five years from the date of issuance of the bonds.

(c) To be eligible as an authorized investment:

- (1) the governing body of the entity must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;
- (2) the entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
- (3) the entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
- (4) the price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
- (5) the provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 8, eff. Sept. 1,

1997; Acts 1999, 76th Leg., ch. 1454, Sec. 9, 10, eff. Sept. 1, 1999.

Sec. 2256.016. AUTHORIZED INVESTMENTS: INVESTMENT POOLS.

(a) An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

(b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

- (1) the types of investments in which money is allowed to be invested;
- (2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
- (3) the maximum stated maturity date any investment security within the portfolio has;
- (4) the objectives of the pool;
- (5) the size of the pool;
- (6) the names of the members of the advisory board of the pool and the dates their terms expire;
- (7) the custodian bank that will safekeep the pool's assets;
- (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;

(9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;

(10) the name and address of the independent auditor of the pool;

(11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and

(12) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

(c) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:

(1) investment transaction confirmations; and

(2) a monthly report that contains, at a minimum, the following information:

(A) the types and percentage breakdown of securities in which the pool is invested;

(B) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

(C) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;

(D) the book value versus the market value of the pool's portfolio, using amortized cost valuation;

(E) the size of the pool;

(F) the number of participants in the pool;

(G) the custodian bank that is safekeeping the assets of the pool;

(H) a listing of daily transaction activity of the entity participating in the pool;

(I) the yield and expense ratio of the pool, including a statement regarding how yield is calculated;

(J) the portfolio managers of the pool; and  
(K) any changes or addenda to the offering circular.

(d) An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

(e) In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

(f) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool created to function as a money market mutual fund shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

(g) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:

(1) equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or

(2) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

(h) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

(i) If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.

(j) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.

(k) If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 9, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 7, eff. June 17, 2011.

Sec. 2256.017. EXISTING INVESTMENTS. An entity is not required to liquidate investments that were authorized investments at the time of purchase.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.46(a), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1,

1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 10, eff. Sept. 1, 1997.

Sec. 2256.019. RATING OF CERTAIN INVESTMENT POOLS. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 11, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 8, eff. June 17, 2011.

Sec. 2256.020. AUTHORIZED INVESTMENTS: INSTITUTIONS OF HIGHER EDUCATION. In addition to the authorized investments permitted by this subchapter, an institution of higher education may purchase, sell, and invest its funds and funds under its control in the following:

(1) cash management and fixed income funds sponsored by organizations exempt from federal income taxation under Section 501(f), Internal Revenue Code of 1986 (26 U.S.C. Section 501(f));

(2) negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency; and

(3) corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.0201. AUTHORIZED INVESTMENTS; MUNICIPAL UTILITY. (a) A municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may enter into a hedging contract and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations. A hedging transaction must comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission. If there is a conflict between the municipal charter of the municipality and this chapter, this chapter prevails.

(b) A payment by a municipally owned electric or gas utility under a hedging contract or related agreement in relation to fuel supplies or fuel reserves is a fuel expense, and the utility may credit any amounts it receives under the contract or agreement against fuel expenses.

(c) The governing body of a municipally owned electric or gas utility or the body vested with power to manage and operate the municipally owned electric or gas utility may set policy regarding hedging transactions.

(d) In this section, "hedging" means the buying and selling of fuel oil, natural gas, coal, nuclear fuel, and electric energy futures or options or similar contracts on those commodities and related transportation costs as a protection against loss due to price fluctuation.

Added by Acts 1999, 76th Leg., ch. 405, Sec. 48, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. [7](#), Sec. 1, eff. April 13, 2007.

Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, a municipality may invest funds received by the municipality from a lease or contract for the management and development of land owned by the municipality and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by a municipality under this section shall be segregated and accounted for separately from other funds of the municipality.

Added by Acts 2009, 81st Leg., R.S., Ch. [1371](#), Sec. 1, eff. September 1, 2009.

Sec. 2256.0203. AUTHORIZED INVESTMENTS: PORTS AND NAVIGATION DISTRICTS. (a) In this section, "district" means a navigation district organized under Section 52, Article III, or Section 59, Article XVI, Texas Constitution.

(b) In addition to the authorized investments permitted by this subchapter, a port or district may purchase, sell, and invest its funds and funds under its control in negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency.

Added by Acts 2011, 82nd Leg., R.S., Ch. [804](#), Sec. 1, eff. September 1, 2011.

Sec. 2256.0204. AUTHORIZED INVESTMENTS: INDEPENDENT SCHOOL DISTRICTS. (a) In this section, "corporate bond" means

a senior secured debt obligation issued by a domestic business entity and rated not lower than "AA-" or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that:

(1) on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation; or

(2) is an unsecured debt obligation.

(b) This section applies only to an independent school district that qualifies as an issuer as defined by Section 1371.001.

(c) In addition to authorized investments permitted by this subchapter, an independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

(d) An independent school district subject to this section is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or

(2) invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

(e) An independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds if the governing body of the district:

(1) amends its investment policy to authorize corporate bonds as an eligible investment;

(2) adopts procedures to provide for:

(A) monitoring rating changes in corporate bonds acquired with public funds; and

(B) liquidating the investment in corporate bonds; and

(3) identifies the funds eligible to be invested in corporate bonds.

(f) The investment officer of an independent school district, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

(1) issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or

(2) changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

(g) Corporate bonds are not an eligible investment for a public funds investment pool.

Added by Acts 2011, 82nd Leg., R.S., Ch. [1347](#), Sec. 1, eff. June 17, 2011.

Sec. 2256.0205. AUTHORIZED INVESTMENTS; DECOMMISSIONING TRUST. (a) In this section:

(1) "Decommissioning trust" means a trust created to provide the Nuclear Regulatory Commission assurance that funds will be available for decommissioning purposes as required under 10 C.F.R. Part 50 or other similar regulation.

(2) "Funds" includes any money held in a decommissioning trust regardless of whether the money is considered to be public funds under this subchapter.

(b) In addition to other investments authorized under this subchapter, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric

energy or natural gas to the public may invest funds held in a decommissioning trust in any investment authorized by Subtitle B, Title 9, Property Code.

Added by Acts 2005, 79th Leg., Ch. [121](#), Sec. 1, eff. September 1, 2005.

Sec. 2256.021. EFFECT OF LOSS OF REQUIRED RATING. An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.022. EXPANSION OF INVESTMENT AUTHORITY. Expansion of investment authority granted by this chapter shall require a risk assessment by the state auditor or performed at the direction of the state auditor, subject to the legislative audit committee's approval of including the review in the audit plan under Section 321.013.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 785, Sec. 42, eff. Sept. 1, 2003.

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

(1) describe in detail the investment position of the entity on the date of the report;

(2) be prepared jointly by all investment officers of the entity;

(3) be signed by each investment officer of the entity;

(4) contain a summary statement of each pooled fund group that states the:

(A) beginning market value for the reporting period;

(B) ending market value for the period; and

(C) fully accrued interest for the reporting period;

(5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;

(6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the state agency or local government as it relates to:

(A) the investment strategy expressed in the agency's or local government's investment policy; and

(B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the

result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. [1004](#), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b), this subchapter does not:

- (1) prohibit an investment specifically authorized by other law; or
- (2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section 2256.009(b) is not an authorized investment for a state agency, a local government, or another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section 2256.009(b) are authorized investments with respect to the housing bond programs operated by:

- (1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;
- (2) an entity created under Chapter 392, Local Government Code; or
- (3) an entity created under Chapter 394, Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.025. SELECTION OF AUTHORIZED BROKERS. The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

Sec. 2256.026. STATUTORY COMPLIANCE. All investments made by entities must comply with this subchapter and all federal, state, and local statutes, rules, or regulations.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

#### SUBCHAPTER B. MISCELLANEOUS PROVISIONS

Sec. 2256.051. ELECTRONIC FUNDS TRANSFER. Any local government may use electronic means to transfer or invest all funds collected or controlled by the local government.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.052. PRIVATE AUDITOR. Notwithstanding any other law, a state agency shall employ a private auditor if authorized by the legislative audit committee either on the committee's initiative or on request of the governing body of the agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.053. PAYMENT FOR SECURITIES PURCHASED BY STATE. The comptroller or the disbursing officer of an agency that has the power to invest assets directly may pay for authorized securities purchased from or through a member in good standing of the National Association of Securities Dealers or from or through a national or state bank on receiving an invoice from the seller of the securities showing that the securities have been purchased by the board or agency and that the amount to be paid for the securities is just, due, and unpaid. A purchase of securities may not be made at a price that exceeds the existing market value of the securities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.67, eff. Sept. 1, 1997.

Sec. 2256.054. DELIVERY OF SECURITIES PURCHASED BY STATE. A security purchased under this chapter may be delivered to the comptroller, a bank, or the board or agency investing its funds. The delivery shall be made under normal and recognized practices in the securities and banking industries, including the book entry procedure of the Federal Reserve Bank.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.68, eff. Sept. 1, 1997.

Sec. 2256.055. DEPOSIT OF SECURITIES PURCHASED BY STATE. At the direction of the comptroller or the agency, a security purchased under this chapter may be deposited in trust with a bank or federal reserve bank or branch designated by the comptroller, whether in or outside the state. The deposit shall be held in the entity's name as evidenced by a trust receipt of the bank with which the securities are deposited.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.69, eff. Sept. 1, 1997.

**City Council Meeting**  
**January 5, 2016**

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**Issue**

Consider and/or act upon approval of an ordinance amending the FY 2014-2015 revenue budgets, expenditure budgets and fund balances for the General Fund, Cable PEG Fund, Utility Fund, Capital Improvement Fund, Police Seizure Fund, Murphy Community Development Corporation (Type B) and the Capital Construction Fund.

**Background/History**

The original FY 2014-2015 budgets were adopted at the departmental level and may be amended throughout the fiscal year. During the course of the fiscal year, there were changes in the needs of the City which require increases and decreases in some revenues and departmental expenditures.

**General Fund:**

Revenues – adjusted the revenues by increasing property taxes, sales tax, franchise fees, other revenues and solid waste and decreasing permits and licenses and court revenues for a net increase to revenues of \$230,000.

Expenditures – reallocation of expenditure budget dollars are included in the budget amendment as follows:

Human Resources – increased the consultant services by \$30,000 to cover the compensation study.

City Council – increased legal by \$40,000.

Economic Development – increased overtime by \$3,900 for the weekly meetings for the Toyota relocation to this area.

Animal Control – increased the construction of the animal shelter by \$63,000 for the final expenses that occurred in FY 2015.

Solid Waste – increased the contract for solid waste by \$4,000 for additional brush pickup charges.

Fire – decrease by \$155,000 due to several vacancies during the year.

Public Works – decrease of \$173,000 due to traffic signals not installed; savings of curb repairs and maintenance of storm water inlets and savings of street repairs and the crack seal program which were delayed until 2016.

Facilities – decrease of \$70,000, majority of this was savings on contracts renegotiated.

Community Services – decrease of \$59,500, due to vacancies and savings from the renegotiation of building official's contract.

Police - decrease of \$122,000 the result of several vacancies during the year.

Parks – decrease of \$139,000 due to vacancies, savings of material and supplies due to the rainy spring, and renegotiation of mowing contract.

The increase to revenues of \$230,000 and the net decrease of expenditures by \$601,600 resulted in a \$831,600 increase to fund balance. Revenue increased by 2 percent over budget while expenditures decreased by 4.5 percent of budget. The primary contributor to savings of expenditures was the number of vacancies during the year.

**Cable PEG Fund:**

During FY 2014 a Cable PEG Fund was created to account for and disburse PEG funds the city receives from Time Warner Cable TV. These funds are restricted and cannot be included in the General Fund. The attached budget reflects the receipt of revenues and expenditures for FY 2015.

**Utility Fund:**

Revenues – adjusted the revenues by increasing other revenues, water sales and sewer sales in the amount of \$185,000. Water sales and sewer sales increased as the result of increased water usage especially during the last three months of the fiscal year.

Expenditures – reallocation of expenditure budget dollars are included in the budget amendment as follows:

Water Distribution – decrease of \$600,000 – due to vacancies; savings of water main repairs; cost of water (purchased less water than the minimum) and savings of capital outlay (delay of projects).

Wastewater Collection – increase of \$377,600 – cost of sewer operations (flow to the Muddy Creek Waste Water Treatment was greater than budgeted which increased costs) and the principal and interest payment of the 2014 certificates of obligation which were not budgeted.

Customer Service – decrease of \$35,500 – savings of personnel costs the result of vacancies; water meters not purchased; increase the software maintenance and credit card fees budget.

The increase to revenues of \$185,000 and the decrease of expenditures by \$257,900 resulted in a net \$442,900 increase. Revenues increased by 2 percent over budget while expenditures decreased by 3 percent of budget.

**Capital Improvement Fund:**

Expenditures – increase the budget by \$20,000 for the completion of the security and surveillance systems which was approved by City Council in FY 2013; started in FY 2014 however, the project was not completed until FY 2015 which created the need for the budget amendment.

**Police Seizures/Restricted Fund:**

At the October 21, 2014 City Council meeting, the City Council approved the expenditure of the Police Seizure funds for the purchase of minor tools and equipment. This will create the budget for those purchases.

**Murphy Community Development Corporation:**

Each fiscal year the MCDC budget must be amended to account for the unexpended promotional expense that were not utilized during the previous fiscal year. Once an amount has been designated as promotional, the funds cannot be used for any other item.

**Capital Construction Fund:**

Adjust the budget for the construction of the Timber Nature Preserve Park, Betsy Lane Road and Safe Routes to School projects.

**Other Considerations**

Section 7.09 Amending the Budget of the Murphy City Charter states the following:

*“Under conditions which may arise, and for municipal purposes, the City Council may, by the affirmative vote of a majority of the full membership of the City Council, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments shall be by ordinance, and shall become an attachment to the original budget.”*

**Action Requested**

Approval of an ordinance amending the FY 2014-2015 revenue, expenditure budgets and fund balances for the General Fund, Cable PEG Fund, Utility Fund, Capital Improvement Fund, Police Seizure Fund, Murphy Community Development Corporation (Type B) and the Capital Construction Fund

**Attachments**

- 1) Budget Amendment Ordinance
- 2) Exhibit A

**ORDINANCE NO. 16-01-1006**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING TO THE FISCAL YEAR 2014-2015 BUDGET; AND PROVIDING FOR SAID ORDINANCE TO TAKE IMMEDIATE EFFECT.**

**WHEREAS**, chapter 102 of the Texas Local Government Code, as amended, governs municipal budgets and provides that the chapter does not prevent the City Council of the City of Murphy, Texas, from making changes in the budget for municipal purposes; and

**WHEREAS**, section 7.09 of the City of Murphy Home-Rule Charter authorizes the amending of the fiscal year 2014-2015 budget; and

**WHEREAS**, as required by the City Charter, the City Manager has prepared an amendment to certain revenues, expenditures and fund balances in the fiscal year 2014-2015 budget and submitted same to the City Council for its approval and a true and correct copy is attached as *Exhibit A*.

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

**Section 1. FINDINGS INCORPORATED**

The findings set forth above are incorporated into the body of this Ordinance as if fully set herein.

**Section 2.** That pursuant to the City Charter requirements of the City of Murphy, Texas, the budget amendment for fiscal year 2014-2015 attached as *Exhibit A* is hereby authorized and approved.

**Section 3.** That pursuant to the City Charter requirements this Ordinance and budget amendment shall become an attachment to the original budget.

**Section 4.** That this Ordinance shall become effective from and after its passage and it is so ordained.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Murphy, Texas, on this 5th day of January, 2016.

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Eric Barna, Mayor  
City of Murphy

ATTEST:

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Susie Quinn, City Secretary  
City of Murphy

APPROVED AS TO FORM AND LEGALITY:

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Wm. Andrew Messer, City Attorney

*Exhibit A*

**General Fund**  
**FY 2015 Amended Budget**  
**Summary of Revenues & Expenditures**

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>Beginning Fund Balance</b>	<b>\$3,060,919</b>	<b>\$2,529,219</b>	<b>\$3,556,703</b>	<b>\$3,238,003</b>		<b>\$3,238,003</b>
<b>Revenues</b>						
Property Taxes	5,174,569	5,614,000	5,670,000	5,924,300	137,000	6,061,300
Sales Taxes	1,299,239	1,724,000	1,724,000	1,767,100	33,000	1,800,100
Franchise	855,550	882,200	954,000	969,900	58,000	1,027,900
Permits	1,017,165	753,000	750,300	640,000	(22,000)	618,000
Fines	401,580	375,000	330,000	365,000	(30,000)	335,000
Other	1,076,388	906,500	894,700	935,600	38,000	973,600
Solid Waste	888,803	859,100	890,000	890,000	16,000	906,000
Fund Transfer	879,700	880,000	880,000	880,000	-	880,000
Misc Revenue			150,000			
<b>Total Revenues</b>	<b>\$11,592,994</b>	<b>\$11,993,800</b>	<b>\$12,243,000</b>	<b>\$12,371,900</b>	<b>\$230,000</b>	<b>\$12,601,900</b>
<b>Expenditures</b>						
Administration	403,476	423,200	357,000	461,300	-	461,300
Human Resources	132,292	139,400	135,800	154,500	30,000	184,500
Info Technology	679,446	799,600	821,700	881,700	-	881,700
City Council	372,933	304,200	229,900	335,500	40,000	375,500
City Secretary	126,999	148,500	187,600	165,000	-	165,000
Finance	391,752	412,100	365,500	500,300	-	500,300
Fire	2,233,560	2,633,500	2,516,400	2,985,200	(155,000)	2,830,200
Public Works	240,559	398,300	422,800	510,300	(173,000)	337,300
Facilities	429,148	496,000	442,600	482,800	(70,000)	412,800
Community Services	675,073	575,350	565,000	615,500	(59,500)	556,000
Economic Development	131,050	144,800	95,300	150,600	3,900	154,500
Police	2,929,196	3,234,000	3,156,500	3,364,100	(122,000)	3,242,100
Animal Control	146,428	127,800	972,100	153,400	63,000	216,400
Recreation	356,466	310,600	338,300	349,300	-	349,300
Parks	788,912	912,600	862,200	1,054,200	(163,000)	891,200
Court	313,434	359,300	351,000	391,800	-	391,800
Solid Waste	697,425	708,500	742,000	753,000	4,000	757,000
<b>Total Expenditures</b>	<b>\$11,048,148</b>	<b>\$12,127,750</b>	<b>\$12,561,700</b>	<b>\$13,308,500</b>	<b>\$ (601,600)</b>	<b>\$12,706,900</b>
<b>Revenues less Expenditures</b>	<b>\$544,847</b>	<b>(133,950)</b>	<b>(318,700)</b>	<b>(936,600)</b>	<b>831,600</b>	<b>(105,000)</b>
Prior Year Adjustment	(49,062)	-	-	-	-	-
<b>Ending Fund Balance</b>	<b>\$3,556,703</b>	<b>\$2,395,269</b>	<b>\$3,238,003</b>	<b>\$2,301,403</b>		<b>\$3,133,003</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY10 Actual</b>	<b>FY11 Actual</b>	<b>FY12 Actual</b>	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>REVENUES</b>									
PROPERTY TAXES									
4000-4000-0000 CURRENT PROPERTY TAXES	4,899,489	4,636,531	4,621,002	\$ 5,068,122	\$ 5,576,000	\$ 5,650,000	\$ 5,900,000	\$ 137,000	\$ 6,037,000
4000-4005-0000 DELINQUENT PROPERTY TAXES	46,850	16,506	8,249	78,314	20,000	2,000	10,000		10,000
4000-4010-0000 PENALTY & INTEREST	34,273	22,384	16,770	28,133	18,000	18,000	14,300		14,300
<b>TOTAL PROPERTY TAXES</b>	<b>4,980,612</b>	<b>4,675,421</b>	<b>4,646,021</b>	<b>5,174,569</b>	<b>5,614,000</b>	<b>5,670,000</b>	<b>5,924,300</b>	<b>137,000</b>	<b>6,061,300</b>
NON-PROPERTY TAXES									
4000-4060-0000 SALES & USE TAX	873,012	952,543	1,048,827	1,299,239	1,724,000	1,724,000	1,767,100	33,000	1,800,100
<b>TOTAL NON-PROPERTY TAXES</b>	<b>873,012</b>	<b>952,543</b>	<b>1,048,827</b>	<b>1,299,239</b>	<b>1,724,000</b>	<b>1,724,000</b>	<b>1,767,100</b>	<b>33,000</b>	<b>1,800,100</b>
FRANCHISE TAXES									
4000-4100-0000 GAS FRANCHISE TAX	91,286	107,493	103,799	81,856	84,000	108,000	110,700	27,000	137,700
4000-4105-0000 ELECTRIC FRANCHISE TAX	423,327	464,033	530,469	447,602	450,000	491,600	503,800	7,000	510,800
4000-4110-0000 TELEPHONE	138,219	207,372	237,046	254,357	258,200	39,500	40,000		40,000
4000-4111-0000 CABLE TV	37,540	28,778	39,198	36,988	30,000	253,500	254,000	24,000	278,000
4000-4113-0000 GARBAGE FRANCHISE TAX	12,064	12,392	14,174	34,747	60,000	61,400	61,400		61,400
<b>TOTAL FRANCHISE TAXES</b>	<b>702,436</b>	<b>820,067</b>	<b>924,686</b>	<b>855,550</b>	<b>882,200</b>	<b>954,000</b>	<b>969,900</b>	<b>58,000</b>	<b>1,027,900</b>
PERMITS & LICENSES									
4000-4200-0000 BUILDING PERMIT	302,571	364,834	484,491	592,286	450,000	340,000	288,000	(77,000)	211,000
4000-4201-0000 PLAN REVIEW			22,062	19,188	10,000	22,500	12,000	10,000	22,000
4000-4203-0000 REINSPECTION FEES	49,959	38,265	15,970	35,449	25,000	41,000	25,000		25,000
4000-4204-0000 ZONING/PLATTING	20,996	13,034	24,893	21,107	5,000	12,000	5,000		5,000
4000-4205-0000 ALARM PERMIT	39,725	34,908	32,388	42,713	35,000	42,800	40,000		40,000
4000-4206-0000 ANIMAL CONTROL	19,700	25,591	21,188	22,064	21,000	15,000	25,000		25,000
4000-4207-0000 CONTRACTOR REGISTRATION	32,475	34,382	35,075	47,475	32,000	47,000	45,000	8,000	53,000
4000-4209-0000 MISCELLANEOUS PERMITS	153,419	148,552	182,536	236,883	175,000	230,000	200,000	37,000	237,000
<b>TOTAL PERMITS &amp; LICENSES</b>	<b>618,845</b>	<b>659,566</b>	<b>818,603</b>	<b>1,017,165</b>	<b>753,000</b>	<b>750,300</b>	<b>640,000</b>	<b>(22,000)</b>	<b>618,000</b>
OTHER REVENUE									
4000-4300-0000 MISCELLANEOUS REVENUE	105,486	27,676	22,743	82,831	20,000	10,000	10,000	34,000	44,000
4000-4301-0000 OPEN RECORDS FEES	404	42	40	-	100				-
4000-4305-0000 INTEREST INCOME	7,099	6,496	6,799	6,681	6,500	6,000	6,000		6,000
4000-4306-0000 POLICE REVENUES	21,573	33,368	63,971	66,713	95,600	95,900	95,900		95,900
4000-4307-0000 RECREATIONAL PROGRAMS	53,276	54,798	52,000	88,186	85,000	120,000	120,000	(28,000)	92,000
4000-4315-0000 RENTALS - FACILITIES		310	10,497	11,690	12,000	12,000	12,000	13,000	25,000
4000-4330-0000 DRAINAGE FEES	195,440	200,775	204,242	210,113	211,000	215,500	215,500		215,500
4000-4341-0000 DRAINAGE PENALTIES	2,279	2,319	2,347	2,479	2,000	2,000	2,000		2,000
4000-4342-0000 4B SUPPORT	50,000	50,000	25,000	286,400	86,600	86,600	86,600		86,600
4000-4342-0000 MDD SUPPORT			160,802		189,800	140,300	183,300		183,300
4000-4343-0000 TCLEOSE FUNDS	2,067		2,588			2,000			-
4000-4345-0000 POLICE DONATIONS	200	1,300	500	500		500			-
4000-4346-0000 FIRE DONATIONS	2,547	1,745	1,200	1,505		1,100			-
4000-4347-0000 FIRE GRANTS				2100					-
4000-4350-0000 EMS REVENUES	165,398	162,584	184,520	197,848	180,000	185,000	185,000	19,000	204,000
4000-4360-0000 ANIMAL CONTROL DONATIONS	2,478		1,546	90		1,100			-
4000-4370-0000 CITY CELEBRATION DONATIONS	11,835	19,985	23,950	20,704		2,400			-
4000-4380-0000 RECYCLE REBATES	11,790	13,396	14,974	14,493	15,000	10,000	15,000		15,000
4000-4390-0000 SIGN REVENUE	510	2,700	2,835	3,335	2,900	4,300	4,300		4,300
Grants				80,720					-
<b>TOTAL OTHER REVENUE</b>	<b>632,382</b>	<b>577,493</b>	<b>782,599</b>	<b>1,076,388</b>	<b>906,500</b>	<b>894,700</b>	<b>935,600</b>	<b>38,000</b>	<b>973,600</b>
MUNICIPAL COURT REVENUE									
4000-4600-0000 MUNICIPAL COURT FINES	448,633	506,982	490,697	401,580	375,000	330,000	365,000	(30,000)	335,000
<b>TOTAL MUNICIPAL COURT REVENUE</b>	<b>448,633</b>	<b>506,982</b>	<b>490,697</b>	<b>401,580</b>	<b>375,000</b>	<b>330,000</b>	<b>365,000</b>	<b>(30,000)</b>	<b>335,000</b>
SOLID WASTE REVENUES									
4000-4325-0000 SOLID WASTE	775,684	810,431	823,392	878,121	849,100	880,000	880,000	16,000	896,000
4000-4340-0000 SOLID WASTE PENALTIES	9,316	9,492	9,654	10,682	10,000	10,000	10,000		10,000
<b>TOTAL SOLID WASTE REVENUES</b>	<b>785,000</b>	<b>819,923</b>	<b>833,046</b>	<b>888,803</b>	<b>859,100</b>	<b>890,000</b>	<b>890,000</b>	<b>16,000</b>	<b>906,000</b>
MISCELLANEOUS REVENUE									
4000-48000-0000 BOND PROCEEDS						150,000			-
<b>TOTAL MISCELLANEOUS REVENUE</b>						<b>150,000</b>			
<b>TOTAL REVENUES</b>	<b>9,040,920</b>	<b>9,011,995</b>	<b>9,544,479</b>	<b>10,713,294</b>	<b>11,113,800</b>	<b>11,363,000</b>	<b>11,491,900</b>	<b>230,000</b>	<b>11,721,900</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY10 Actual</b>	<b>FY11 Actual</b>	<b>FY12 Actual</b>	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
OTHER SOURCES									
TRANSFER FROM U/F	850,000	850,000	850,000	850,000	850,000	850,000	850,000		850,000
TRANSFER FROM COURT RESTRICTED - JUVINILE CASE MANAGER				29,700	30,000	30,000	30,000		30,000
TRANFSER FROM RESERVES - VEHICLES									
<b>TOTAL OTHER SOURCES</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>879,700</b>	<b>880,000</b>	<b>880,000</b>	<b>880,000</b>	-	<b>880,000</b>
<b>TOTAL REVENUE &amp; OTHER SOURCES</b>	<b>9,890,920</b>	<b>9,861,995</b>	<b>10,394,479</b>	<b>\$ 11,592,994</b>	<b>\$ 11,993,800</b>	<b>\$ 12,243,000</b>	<b>\$ 12,371,900</b>	<b>\$ 230,000</b>	<b>\$ 12,601,900</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>HUMAN RESOURCES</b>						
PERSONNEL SERVICES						
5401-1001-0000 SALARIES	71,368	71,500	68,500	78,500		78,500
5401-1006-0000 LONGEVITY	420	500	100			-
5401-1009-0000 TMRS	7,821	7,800	7,400	11,200		11,200
5401-1011-0000 SOCIAL SECURITY	1,020	1,100	1,000	1,200		1,200
5401-1012-0000 GROUP INSURANCE	8,414	10,300	8,600	7,200		7,200
Personnel						-
<b>TOTAL PERSONNEL SERVICES</b>	<b>89,042</b>	<b>91,200</b>	<b>85,600</b>	<b>98,100</b>	<b>-</b>	<b>98,100</b>
MATERIALS & SUPPLIES						
5401-2101-0000 GENERAL OFFICE SUPPLIES	326	400	1,000	1,000		1,000
5401-2209-0000 UNIFORMS						-
5401-2403-0000 COMPUTER HARD & SOFT Supplies						-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>326</b>	<b>400</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>
CONTRACTUAL SERVICES						
5401-3102-0000 CONSULTANT SERVICES	37,992	41,500	41,000	42,200	30,000	72,200
5401-3104-0000 MED. SERVICES/PREEMPLOYNT	2,823	2,000	2,500	3,000		3,000
5401-3106-0000 DATA PROCESSING SUPPLIES						-
5401-3111-0000 SOFTWARE MAINTENANCE						-
5401-3202-0000 POSTAGE & FREIGHT	29	100	100	100		100
5401-3203-0000 TRAVEL AND TRAINING	508	2,000	3,000	7,200		7,200
5401-3301-0000 AD. AND PUBLIC NOTICES	184	200	200	300		300
5401-3405-0000 WORKERS COMPENSATION	123	200	300	300		300
5401-3408-0000 WELLNESS PROGRAM	70					-
5401-3409-0000 EMP REWARDS & RECOGNITION	405	800	1,000	900		900
5401-3703-0000 CELL/PAGERS/RADIOS	360	400	500	900		900
5401-3901-0000 DUES & MEMBERSHIP	430	600	600	500		500
Contractual						-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>42,924</b>	<b>47,800</b>	<b>49,200</b>	<b>55,400</b>	<b>30,000</b>	<b>85,400</b>
CAPITAL						
5401-4321-0000 COMPUTER SOFTWARE						-
Capital						-
<b>TOTAL CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL HUMAN RESOURCES</b>	<b>132,292</b>	<b>139,400</b>	<b>135,800</b>	<b>154,500</b>	<b>30,000</b>	<b>184,500</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>CITY COUNCIL</b>						
PERSONNEL SERVICES						
5411-1007-0000 PART TIME	9,525	13,500	14,500	12,000		12,000
5411-1011-0000 SOCIAL SECURITY	729	1,100	1,200	1,000		1,000
<b>TOTAL PERSONNEL SERVICES</b>	<b>10,254</b>	<b>14,600</b>	<b>15,700</b>	<b>13,000</b>	<b>-</b>	<b>13,000</b>
MATERIALS & SUPPLIES						
5411-2101-0000 GENERAL OFFICE SUPPLIES	1,880	3,500	3,500	3,500		3,500
5411-2102-0000 MAGAZINES/MAPS/BOOKS						-
5411-2106-0000 SOFTWARE SUBSCRIPTIONS						-
5411-2209-0000 UNIFORMS	250			500		500
5411-2403-0000 COMPUTER HARDWARE & SOFTWARE	751					-
5411-2501-0000 COMMUNITY RELATIONS	4,193	7,000	7,500	7,500		7,500
5411-2502-0000 EMPLOYEE RELATIONS	3,826		100			-
5411-2503-0000 RECYCLING EVENTS	82,059	10,000	5,000	10,000		10,000
5411-2505-0000 EMERGENCY HURRICANE EXPEN						
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>92,959</b>	<b>20,500</b>	<b>16,100</b>	<b>21,500</b>	<b>-</b>	<b>21,500</b>
CONTRACTUAL SERVICES						
5411-3102-0000 CONSULTANT SERVICES	514	50,000	1,000	50,000	(20,000)	30,000
5411-3103-0000 LEGAL	248,348	175,000	175,000	175,000	60,000	235,000
5411-3107-0000 COUNCIL REIMBURSEMENT						-
5411-3111-0000 SOFTWARE MAINTENANCE				10,000		10,000
5411-3202-0000 POSTAGE AND FREIGHT			100	100		100
5411-3203-0000 TRAINING AND TRAVEL	10,278	22,000	7,000	7,000		7,000
5411-3301-0000 AD. AND PUBLIC NOTICES	922		800	800		800
5411-3402-0000 SURETY BONDS	715		200	200		200
5411-3703-0000 CELL/PAGERS/RADIOS	965	2,400	2,000	3,400		3,400
5411-3901-0000 DUES & MEMBERSHIPS	5,056	9,700	12,000	14,500		14,500
5411-3940-0000 COUNCIL CONTINGENCY		10,000		10,000		10,000
5411-3955-0000 380 AGREEMENT						-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>266,798</b>	<b>269,100</b>	<b>198,100</b>	<b>271,000</b>	<b>40,000</b>	<b>311,000</b>
CAPITAL OUTLAY						
5411-4221-0000 COMPUTER SOFTWARE				28,000		28,000
5411-4390-0000 COMPUTER HARDWARE	2,922			2,000		2,000
<b>TOTAL CAPITAL OUTLAY</b>	<b>2,922</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>30,000</b>
<b>TOTAL CITY COUNCIL</b>	<b>372,933</b>	<b>304,200</b>	<b>229,900</b>	<b>335,500</b>	<b>40,000</b>	<b>375,500</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>FIRE</b>						
PERSONNEL SERVICES						
5440-1001-0000 SALARIES	1,309,852	1,463,700	1,418,000	1,558,000	(85,000)	1,473,000
5440-1005-0000 OVERTIME	103,561	82,900	94,500	95,600		95,600
5440-1006-0000 LONGEVITY	4,948	6,400	5,700	6,900		6,900
5440-1007-0000 PART TIME	4,673		6,300			
5440-1009-0000 TMRS	152,968	169,000	164,000	235,600	(20,000)	215,600
5440-1011-0000 SOCIAL SECURITY	19,795	23,400	22,800	24,500		24,500
5440-1012-0000 GROUP INSURANCE	212,289	270,300	235,000	268,400	(50,000)	218,400
5440-1016-0000 CERTIFICATIONS	2,125	15,000	6,100	15,000		15,000
<b>Personnel</b>						
<b>TOTAL PERSONNEL SERVICES</b>	<b>1,810,209</b>	<b>2,030,700</b>	<b>1,952,400</b>	<b>2,204,000</b>	<b>(155,000)</b>	<b>2,049,000</b>
MATERIALS & SUPPLIES						
5440-2101-0000 GENERAL OFFICE SUPPLIES	1,677	3,100	2,300	2,300		2,300
5440-2102-0000 MAGAZINES/MAPS/BOOKS	2,769	2,100	1,900	2,800		2,800
5440-2106-0000 SOFTWARE SUBSCRIPTIONS		3,600				
5440-2204-0000 MOTOR VEHICLE FUEL	22,975	34,600	24,200	30,100		30,100
5440-2205-0000 JANITORIAL SUPPLIES	3,016	3,000	3,700	3,600		3,600
5440-2209-0000 UNIFORMS	41,004	45,400	45,000	49,000		49,000
5440-2220-0000 LAUNDRY AND CLEANING	1,450	6,000	4,000	9,600		9,600
5440-2240-0000 FIRE PREVENTION PROGRAM	4,842	3,300	3,100	14,100		14,100
5440-2301-0000 BUILDINGS/GROUNDS SUP.	1,114	700	3,100	4,500		4,500
5440-2312-0000 MOTOR VEHICLE SUPPLIES	11,311	12,400	9,100	14,000		14,000
5440-2315-0000 FIRE FIGHTING EQPT.	12,409	10,600	10,000	10,600		10,600
5440-2401-0000 MINOR TOOLS & EQPT.	3,102	1,800	2,000	2,000		2,000
5440-2402-0000 FURNITURE & FIXTURE		800				
5440-2403-0000 COMPUTER HARD. & SOFT.				3,500		3,500
5440-2441-0000 SAFETY EQUIPMENT	4,020	8,000	8,000			
5440-2501-0000 COMMUNITY RELATIONS	1,755	2,100	2,600	2,500		2,500
5440-2601-0000 AMBULANCE SUPPLIES	28,076	25,900	22,000	28,200		28,200
<b>Supplies</b>						
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>139,520</b>	<b>163,400</b>	<b>141,000</b>	<b>176,800</b>	<b>-</b>	<b>176,800</b>
CONTRACTUAL SERVICES						
5440-3102-0000 CONSULTANT SERVICES	35,748	36,600	41,600	36,600		36,600
5440-3104-0000 MED. SERVICES/PREEMPLOYMENT	9,516	14,600	15,100	21,000		21,000
5440-3111-0000 SOFTWARE MAINTENANCE	3,045					
5440-3199-0000 CONTRACT LABOR	26,354	28,000	27,100	28,000		28,000
5440-3201-0000 TELEPHONE EXPENSE	1,844		4,800	4,500		4,500
5440-3202-0000 POSTAGE & FREIGHT	904	800	600	500		500
5440-3203-0000 TRAVEL AND TRAINING	18,193	32,500	30,500	44,600		44,600
5440-3302-0000 PRINTING AND BINDING	1,501	800	800	800		800
5440-3405-0000 WORKERS COMPENSATION	19,603	27,200	27,000	27,500		27,500
5440-3501-0000 ELECTRICITY	45,811	54,300	52,000	55,100		55,100
5440-3502-0000 GAS	5,601	7,100	7,500	9,200		9,200
5440-3601-0000 BUILDING/STRUCTURE IMPVTS	514	1,500	1,000	1,500		1,500
5440-3604-0000 MOTOR VEHICLE REPAIRS	12,200	16,500	14,600	16,500		16,500
5440-3608-0000 RADIO & RADAR R & M	1,800	4,200	4,200	6,000		6,000
5440-3613-0000 PUBLIC SAFETY EQPT. R & M	17,200	24,300	15,000	20,300		20,300
5440-3702-0000 RENTAL OFFICE EQPT.	6,360	6,100	5,500	6,100		6,100
5440-3703-0000 CELL/PAGERS/RADIOS	4,855	13,100	10,300	7,600		7,600
5440-3901-0000 DUES & MEMBERSHIP	6,270	6,300	6,300	5,600		5,600
5440-3920-0000 AMBULANCE BILLING FEES	10,424	10,000	8,100	12,000		12,000
<b>Contractual</b>						
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>227,743</b>	<b>283,900</b>	<b>272,000</b>	<b>303,400</b>	<b>-</b>	<b>303,400</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>FIRE</b>						
CAPITAL OUTLAY						
5440-4301-0000 FURN FIX OFF EQUIPMENT		500				-
5440-4303-0000 MOTOR VEHICLES	5,954	90,000	89,000	215,000		215,000
5440-4305-0000 SPECIAL EQUIPMENT	50,132	63,000	62,000	49,500		49,500
5440-4307-0000 RADIO & RADAR EQPT.						
5440-4310-0000 EMERGENCY MANAGEMENT EQUIP				36,500		36,500
5440-4390-0000 Computer Hardware		2,000				
<b>Capital</b>						
<b>TOTAL CAPITAL OUTLAY</b>	<b>56,086</b>	<b>155,500</b>	<b>151,000</b>	<b>301,000</b>	<b>-</b>	<b>301,000</b>
<b>TOTAL FIRE</b>	<b>2,233,558</b>	<b>2,633,500</b>	<b>2,516,400</b>	<b>2,985,200</b>	<b>(155,000)</b>	<b>2,830,200</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>FACILITIES</b>						
PERSONNEL SERVICES						
5451-1001-0000 SALARIES	30,215	75,300	68,500	83,000		83,000
5451-1005-0000 OVERTIME	826	2,000	1,500	2,000		2,000
5451-1006-0000 LONGEVITY	68	200		200		200
5451-1009-0000 TMRS	3,366	8,300	7,500	12,100		12,100
5451-1011-0000 SOCIAL SECURITY/MEDICARE	453	1,100	1,100	1,300		1,300
5451-1012-0000 GROUP INSURANCE	5,266	19,900	15,000	14,100		14,100
Personnel						
<b>TOTAL PERSONNEL SERVICES</b>	<b>40,194</b>	<b>106,800</b>	<b>93,600</b>	<b>112,700</b>	<b>-</b>	<b>112,700</b>
MATERIALS & SUPPLIES						
5451-2101-0000 GENERAL OFFICE SUPPLIES		200	200	200		200
5451-2204-0000 FUEL		600	300	600		600
5451-2205-0000 JANITORIAL SUPPLIES	5,783	9,000	9,000	10,000		10,000
5451-2209-0000 UNIFORMS	508	1,800	1,800	800		800
5451-2301-0000 BUILDING & GROUNDS	32,160	39,300	39,300	45,500	(10,000)	35,500
5451-2310-0000 CHEMICALS & INSECTICIDES		5,000	5,000			-
5451-2312-0000 MOTOR VEHICLE SUPPLIES	338	200	200	200		200
5451-2401-0000 MINOR TOOLS		2,000	2,000			-
5451-2441-0000 SAFETY EQUIPMENT		200	200			-
Supplies						-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>38,789</b>	<b>58,300</b>	<b>58,000</b>	<b>57,300</b>	<b>(10,000)</b>	<b>47,300</b>
CONTRACTUAL SERVICES						
5451-3201-0000 TELEPHONE	44,726	49,600	42,200	42,700		42,700
5451-3202-0000 POSTAGE & FREIGHT		700		500		500
5451-3203-0000 TRAINING & TRAVEL	35	3,000	1,000	2,000		2,000
5451-3302-0000 PRINTING & BINDING	68					-
5451-3405-0000 WORKERS COMP	661	1,000	3,800	2,500		2,500
5451-3501-0000 ELECTRICITY	32,534	36,900	36,000	34,700		34,700
5451-3502-0000 GAS	1,954	2,500	2,600	4,000		4,000
5451-3601-0000 BUILDING & GROUNDS CONTRACT:	153,838	205,800	200,000	225,000	(60,000)	165,000
5451-3604-0000 MOTOR VEHICLE REPAIRS		500	500	500		500
5451-3703-0000 CELL/PAGERS/RADIOS	120	400	300	900		900
5451-3904-0000 JANITORIAL SERVICES	46,228	5,500	3,600			-
Contractual						-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>280,164</b>	<b>305,900</b>	<b>290,000</b>	<b>312,800</b>	<b>(60,000)</b>	<b>252,800</b>
5451-4201-0000 BLDGS, FIX & GROUNDS		25,000	1,000			-
5451-4305-0000 SPECIAL EQUIPMENT	70,000					-
Capital						-
<b>TOTAL CAPITAL OUTLAY</b>	<b>70,000</b>	<b>25,000</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FACILITIES</b>	<b>429,147</b>	<b>496,000</b>	<b>442,600</b>	<b>482,800</b>	<b>(70,000)</b>	<b>412,800</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>COMMUNITY SERVICES</b>						
PERSONNEL SERVICES						
5455-1001-0000 SALARIES	165,513	178,800	187,000	210,000	(5,000)	205,000
5455-1005-0000 OVERTIME	12,786	7,000	10,000	10,000	(3,000)	7,000
5455-1006-0000 LONGEVITY	610	700	700	900		900
5455-1009-0000 TMRS	19,393	20,300	21,200	31,600		31,600
5455-1011-0000 SOCIAL SECURITY	2,597	2,900	2,900	3,300		3,300
5455-1012-0000 GROUP INSURANCE	11,336	22,700	13,300	23,600	(8,000)	15,600
Personnel						
<b>TOTAL PERSONNEL SERVICES</b>	<b>212,234</b>	<b>232,400</b>	<b>235,100</b>	<b>279,400</b>	<b>(16,000)</b>	<b>263,400</b>
MATERIALS & SUPPLIES						
5455-2101-0000 GENERAL OFFICE SUPPLIES	2,074	2,700	2,500	2,500		2,500
5455-2102-0000 MAGAZINES/MAPS/BOOKS	838	500	2,600	200		200
5455-2104-0000 DATA PROCESSING SUPPLIES		800	500	500		500
5455-2204-0000 MOTOR VEHICLE FUEL	3,691	10,700	8,000	7,500	(3,500)	4,000
5455-2209-0000 UNIFORMS	357	600	600	700		700
5455-2312-0000 MOTOR VEHICLE SUPPLIES	85	700	700	1,000		1,000
5455-2401-0000 MINOR TOOLS & EQPT.		250	300	700		700
5455-2403-0000 COMPUTER HARDWARE & SOFTV	4,431					-
5455-2441-0000 SAFETY EQUIPMENT		800				-
Supplies						-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>11,475</b>	<b>17,050</b>	<b>15,200</b>	<b>13,100</b>	<b>(3,500)</b>	<b>9,600</b>
CONTRACTUAL SERVICES						
5455-3102-0000 CONSULTANT SERVICES	8,083	-	-	-		-
5455-3105-0000 ENGINEERING SERVICES	52,507	50,000	50,000	55,000		55,000
5455-3110-0000 INSPECTION FEES	340,198	200,000	200,000	220,000	(40,000)	180,000
5455-3113-0000 HEALTH INSPECTION FEES	15,156	21,000	21,000	21,000		21,000
5455-3195-0000 CONTRACT MOWING	140	2,400	200	500		500
5455-3202-0000 POSTAGE & FREIGHT	659	1,000	600	600		600
5455-3203-0000 TRAVEL AND TRAINING	15,957	17,500	7,000	9,000		9,000
5455-3301-0000 AD. AND PUBLIC NOTICES	13,608	4,500	5,000	5,000		5,000
5455-3302-0000 PRINTING AND BINDING	467	1,000	700	700		700
5455-3405-0000 WORKERS COMPENSATION	718	1,000	700	1,200		1,200
5455-3604-0000 MOTOR VEHICLE REPAIRS	848	2,000	5,500	6,000		6,000
5455-3702-0000 RENTAL OFFICE EQPT.	1,275	-	-	-		-
5455-3703-0000 CELL/PAGERS/RADIOS	934	2,500	2,500	2,000		2,000
5455-3901-0000 DUES & MEMBERSHIP	814	2,300	2,000	2,000		2,000
Contractual						-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>451,364</b>	<b>305,200</b>	<b>295,200</b>	<b>323,000</b>	<b>(40,000)</b>	<b>283,000</b>
CAPITAL OUTLAY						
5455-4303-0000 MOTOR VEHICLES		20,000	18,500			-
5455-4390-0000 COMPUTER HARDWARE .		700	1,000			-
Capital						-
<b>TOTAL CAPITAL OUTLAY</b>	<b>-</b>	<b>20,700</b>	<b>19,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY SERVICES</b>	<b>675,073</b>	<b>575,350</b>	<b>565,000</b>	<b>615,500</b>	<b>(59,500)</b>	<b>556,000</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>POLICE</b>					
PERSONNEL SERVICES					
5460-1001-0000 SALARIES	1,795,764	1,934,000	2,018,000	(70,000)	1,948,000
5460-1005-0000 OVERTIME	75,270	82,000	82,000		82,000
5460-1006-0000 LONGEVITY	9,828	11,000	11,700		11,700
5460-1007-0000 PART TIME	30,569	36,400	52,800		52,800
5460-1009-0000 TMRS	206,562	221,000	302,900	(20,000)	282,900
5460-1011-0000 SOCIAL SECURITY	29,313	33,300	35,600		35,600
5460-1012-0000 GROUP INSURANCE	272,023	349,000	348,400	(32,000)	316,400
5460-1016-0000 CERTIFICATIONS	18,650	21,600	24,600		24,600
5460-1018-0000 AUTO ALLOWANCE	7,800	7,800	7,800		7,800
Personnel					-
<b>TOTAL PERSONNEL SERVICES</b>	<b>2,445,779</b>	<b>2,696,100</b>	<b>2,883,800</b>	<b>(122,000)</b>	<b>2,761,800</b>
MATERIALS & SUPPLIES					
5460-2101-0000 GENERAL OFFICE SUPPLIES	3,338	3,600	3,700		3,700
5460-2102-0000 MAGAZINES/MAPS/BOOKS	1,643	1,600	1,700		1,700
5460-2104-0000 DATA PROCESSING SUPPLIES	546	1,200	1,600		1,600
5460-2203-0000 MEDICAL SUPPLIES	460	2,100	2,100		2,100
5460-2204-0000 MOTOR VEHICLE FUEL	66,225	82,900	82,000		82,000
5460-2209-0000 UNIFORMS	24,253	22,300	21,900		21,900
5460-2220-0000 DRY CLEANING	4,689	4,300	4,700		4,700
5460-2221-0000 AMMUNITION/SUPPLIES	5,896	8,000	8,800		8,800
5460-2312-0000 MOTOR VEHICLE SUPPLIES	695	2,100	2,100		2,100
5460-2401-0000 MINOR TOOLS & EQPT.	11,388	14,000	14,200		14,200
5460-2441-0000 SAFETY EQUIPMENT	4,502	5,000	4,500		4,500
Supplies					-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>123,635</b>	<b>147,100</b>	<b>147,300</b>	<b>-</b>	<b>147,300</b>
CONTRACTUAL SERVICES					
5460-3102-0000 CONSULTANT SERVICES	1,605	3,200	3,200		3,200
5460-3104-0000 MED. SERVICES/PREEMPLOY	10,680	13,100	13,000		13,000
5460-3106-0000 DATA PROCESSING	2,134	1,100	1,100		1,100
5460-3111-0000 SOFTWARE MAINTENANCE	8,407				-
5460-3199-0000 CONTRACT LABOR	26,354	29,000	28,000		28,000
5460-3201-0000 TELEPHONE EXPENSES	711	900	900		900
5460-3202-0000 POSTAGE & FREIGHT	724	1,100	1,100		1,100
5460-3203-0000 TRAVEL AND TRAINING	17,394	17,000	18,000		18,000
5460-3204-0000 TCLEOSE TRAINING	35				-
5460-3220-0000 POLICE EXPLORERS EXPENSE	459		800		800
5460-3302-0000 PRINTING AND REPRODUCTION	4,005	4,500	4,500		4,500
5460-3405-0000 WORKERS COMPENSATION	26,218	38,200	40,100		40,100
5460-3409-0000 EMPLOYEE REWARDS & REC	1,374	2,800	2,900		2,900
5460-3501-0000 ELECTRICITY	40,576	49,500	51,500		51,500
5460-3502-0000 GAS	4,819	6,200	9,800		9,800
5460-3601-0000 BUILDING & GROUND CONTRACT	8,762	4,400	3,800		3,800
5460-3603-0000 OFFICE EQPT. REPAIRS	1,363	9,700	7,000		7,000
5460-3604-0000 MOTOR VEHICLE REPAIRS	23,393	27,000	27,000		27,000
5460-3608-0000 RADIO & RADAR R & M	9,769	1,500	2,000		2,000
5460-3702-0000 RENTAL OFFICE EQPT.	6,360	6,100	6,200		6,200
5460-3703-0000 CELL/PAGERS/RADIOS	17,506	13,100	19,800		19,800

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>POLICE</b>					
5460-3710-0000 OTHER RENTAL	300	300	300		300
5460-3901-0000 DUES & MEMBERSHIP	911	1,200	1,500		1,500
5460-3905-0000 COMMUNITY RELATIONS	326	4,500	4,700		4,700
5460-3913-0000 SPECIAL INVESTIGATIONS	11,751	21,100	20,500		20,500
5460-3950-0000 COMMUNICATIONS	814	1,300	1,300		1,300
5460-3970-0000 DONATION EXPENSE	304				-
Contractual					-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>227,054</b>	<b>256,800</b>	<b>269,000</b>	-	<b>269,000</b>
<b>CAPITAL OUTLAY</b>					
5460-4303-0000 MOTOR VEHICLES	111,969	130,000	53,000		53,000
5460-4321-0000 SOFTWARE APPLICATIONS	8,500				-
5460-4390-0000 COMPUTERS	11,634				-
5460-4399-0000 MISC. EQUIP.	624	4,000	11,000		11,000
Capital					-
<b>TOTAL CAPITAL OUTLAY</b>	<b>132,727</b>	<b>134,000</b>	<b>64,000</b>	-	<b>64,000</b>
<b>TOTAL POLICE</b>	<b>2,929,195</b>	<b>3,234,000</b>	<b>3,364,100</b>	<b>(122,000)</b>	<b>3,242,100</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>PUBLIC WORKS</b>						
MATERIALS & SUPPLIES						
5450-2101-0000 GENERAL OFFICE SUPPLIES			100			
5450-2232-0000 SIGNS AND MARKERS	16,917	19,000	19,000	39,000		39,000
5450-2302-0000 STREET AND BRIDGES SUP.	3,279	20,500	20,500	13,500		13,500
5450-2314-0000 SIGNAL SYSTEMS		4,900	4,900	28,900	(20,000)	8,900
5450-2401-0000 MINOR TOOLS & EQPT.		2,000	2,000	2,000		2,000
5420-2411-0000 SAFETY EQUIPMENT			100			
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>20,196</b>	<b>46,400</b>	<b>46,600</b>	<b>83,400</b>	<b>(20,000)</b>	<b>63,400</b>
CONTRACTUAL SERVICES						
5450-3105-0000 ENGINEERING SERVICES	13,902	9,500	25,000	20,000		20,000
5450-3302-0000 PRINTING AND BINDING		2,000	2,000	1,000		1,000
5450-3501-0000 ELECTRICITY	150,025	157,900	158,200	164,000		164,000
5450-3602-0000 FIXED PLANT EQPT. R & M	9,000					
5450-3616-0000 DRAINAGE IMPROVEMENTS	16,066	41,500	58,000	53,100	(35,000)	18,100
5450-3617-0000 STREET REPAIRS	21,758	30,000	30,000	90,000	(53,000)	37,000
5450-3704-0000 RENTAL MACHINERY & EQPT.	6,258	16,000	8,000	8,000		8,000
5450-3715-0000 LEASES				1,800		1,800
5450-3901-0000 DUES & MEMBERSHIP	3,353					
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>220,362</b>	<b>256,900</b>	<b>281,200</b>	<b>337,900</b>	<b>(88,000)</b>	<b>249,900</b>
CAPITAL OUTLAY						
5450-4209-0000 SIDEWALKS		25,000	25,000	-		-
5450-4304-0000 MOBILE EQUIPMENT		70,000	70,000	89,000	(65,000)	24,000
<b>TOTAL CAPITAL OUTLAY</b>	<b>-</b>	<b>95,000</b>	<b>95,000</b>	<b>89,000</b>	<b>(65,000)</b>	<b>24,000</b>
<b>TOTAL PUBLIC WORKS</b>	<b>240,558</b>	<b>398,300</b>	<b>422,800</b>	<b>510,300</b>	<b>(173,000)</b>	<b>337,300</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>PARKS</b>						
PERSONNEL SERVICES						
5485-1001-0000 SALARIES	388,698	400,000	361,000	415,900	(22,000)	393,900
5485-1005-0000 OVERTIME	15,076	15,000	15,000	25,500		25,500
5485-1006-0000 LONGEVITY	3,264	4,000	3,600	3,400		3,400
5485-1007-0000 PART TIME	23,893		25,000	26,700	(10,000)	16,700
5485-1009-0000 TMRS	44,311	45,000	40,600	63,200	(5,000)	58,200
5485-1011-0000 SOCIAL SECURITY	7,550	6,300	7,500	6,500		6,500
5485-1012-0000 GROUP INSURANCE	74,966	91,700	80,500	97,400	(14,000)	83,400
Personnel				-		
<b>TOTAL PERSONNEL SERVICES</b>	<b>557,758</b>	<b>562,000</b>	<b>533,200</b>	<b>638,600</b>	<b>(51,000)</b>	<b>587,600</b>
MATERIALS & SUPPLIES						
5485-2101-0000 GENERAL OFFICE SUPPLIES	1,019	1,500	1,100	1,500		1,500
5485-2102-0000 MAGAZINES/MAPS/BOOKS			100			-
5485-2204-0000 MOTOR VEHICLE FUEL	21,606	21,500	23,700	22,400	(5,000)	17,400
5485-2207-0000 BOTANICAL AND AGRICULTURAL	35,229	51,000	52,000	35,000	(8,000)	27,000
5485-2208-0000 PHOTOGRAPHIC SUPPLIES	87					-
5485-2209-0000 UNIFORMS	5,985	8,500	6,600	7,200		7,200
5485-2230-0000 FIELD SUPPLIES	2,311	4,000	1,800			-
5485-2232-0000 SIGNS AND MARKERS	2,935	-	1,000	4,500		4,500
5485-2301-0000 BUILDINGS/GROUNDS SUP.	1,624	5,000	6,000	8,000		8,000
5485-2308-0000 WELDING SUPPLIES	414	-				-
5485-2309-0000 PAINT, LUMBER & HARDWARE	2,631	-	400			-
5485-2310-0000 CHEMICALS AND INSECTICIDE	1,729	-		60,000	(25,000)	35,000
5485-2312-0000 MOTOR VEHICLE SUPPLIES	2,313	800	1,800	1,000		1,000
5485-2313-0000 W/S MACH & EQUIP REPAIR	6,403		400			-
5485-2316-0000 IRRIGATION SUPPLIES	21,549	10,000	10,000	10,000		10,000
5485-2317-0000 VANDALISM REPAIRS	174	-				-
5485-2401-0000 MINOR TOOLS & EQPT.	10,439	9,000	11,000	15,000		15,000
5485-2403-0000 COMPUTER HARD. & SOFT.		-	2,800	2,800		2,800
5485-2441-0000 SAFETY EQUIPMENT	882	16,700	12,000	5,700		5,700
5485-2501-0000 COMMUNITY RELATIONS	2,949	-	700			-
Supplies				800		800
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>120,279</b>	<b>128,000</b>	<b>131,400</b>	<b>173,900</b>	<b>(38,000)</b>	<b>135,900</b>
CONTRACTUAL SERVICES						
5485-3102-0000 CONSULTANT SERVICES			37,000			-
5485-3104-0000 MED SERVICES/PREEMPLOY		300		300		300
5485-3195-0000 CONTRACT MOWING	43,623	110,000	80,000	150,000	(62,000)	88,000
5485-3199-0000 CONTRACT LABOR	4,886	38,000	14,000	15,000	(7,000)	8,000
5485-3202-0000 POSTAGE & FREIGHT	428	200	100	200		200
5485-3203-0000 TRAVEL AND TRAINING	16,912	15,300	9,000	16,000		16,000
5485-3301-0000 AD. AND PUBLIC NOTICES	1,619		900			-
5485-3302-0000 PRINTING AND BINDING	1,079	1,200		500		500
5485-3303-0000 PHOTOGRAPHS/BLUE PRINTS	1,499		200			-
5485-3405-0000 WORKERS COMPENSATION	4,390	9,800	17,200	18,000	(5,000)	13,000
5485-3501-0000 ELECTRICITY	5,771	13,000	8,000	13,900		13,900
5485-3503-0000 WATER	732	1,000	400	500		500
5485-3604-0000 MOTOR VEHICLE REPAIRS	177	5,200	3,000	4,000		4,000
5485-3606-0000 HEAVY EQPT R & M	1,269		1,200			-
5485-3615-0000 SMALL ENGINE R & M	967	6,000	7,500	8,000		8,000
5485-3703-0000 CELL/PAGERS/RADIOS	1,124	7,100	1,600	7,500		7,500
5485-3704-0000 RENTAL MACHINERY & EQPT.	2,221	6,600	5,000	6,000		6,000
5485-3901-0000 DUES & MEMBERSHIP	3,117	1,900	3,000	1,500		1,500
Contractual				300		300
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>89,813</b>	<b>215,600</b>	<b>188,100</b>	<b>241,700</b>	<b>(74,000)</b>	<b>167,700</b>
CAPITAL OUTLAY						
5485-4303-0000 MOTOR VEHICLES	21,064		2,300			-

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>PARKS</b>						
5485-4304-0000 EQUIPMENT Capital		7,000	7,200			-
<b>TOTAL CAPITAL OUTLAY</b>	21,064	7,000	9,500	-	-	-
<b>TOTAL PARKS</b>	788,914	912,600	862,200	1,054,200	(163,000)	891,200

**City of Murphy  
FY 2015 Amended Budget**

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	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>ANIMAL CONTROL</b>						
PERSONNEL SERVICES						
5465-1001-0000 SALARIES	64,163	74,200	74,500	78,500		78,500
5465-1005-0000 OVERTIME	1,727	2,000	1,000	1,500		1,500
5465-1006-0000 LONGEVITY	196	400	400	500		500
5465-1009-0000 TMRS	7,210	8,400	8,200	11,600		11,600
5465-1011-0000 SOCIAL SECURITY	2,468	1,300	21,600	1,200		1,200
5465-1012-0000 GROUP INSURANCE	11,512	16,900	16,000	17,000		17,000
5465-1016-0000 CERTIFICATION		300	300	600		600
Personnel						
<b>TOTAL PERSONNEL SERVICES</b>	<b>87,276</b>	<b>103,500</b>	<b>122,000</b>	<b>110,900</b>	<b>-</b>	<b>110,900</b>
MATERIALS & SUPPLIES						
5465-2101-0000 GENERAL OFFICE SUPPLIES	241	500	600	900		900
5465-2108-0000 ANIMAL SUPPLIES	1,214	1,900	1,000	3,000		3,000
5465-2203-0000 MEDICAL SUPPLIES	1,236	1,600	1,600	1,700		1,700
5465-2204-0000 MOTOR VEHICLE FUEL	3,223	4,000	4,000	4,000		4,000
5465-2205-0000 JANITORIAL SUPPLIES	631	1,000	1,000	1,500		1,500
5465-2209-0000 UNIFORMS	734	1,200	1,000	1,000		1,000
5465-2312-0000 MOTOR VEHICLE SUPPLIES	106	500	500	400		400
5465-2401-0000 MINOR TOOLS & EQPT.	320	1,300	1,300	2,200		2,200
Supplies						-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>7,705</b>	<b>12,000</b>	<b>11,000</b>	<b>14,700</b>	<b>-</b>	<b>14,700</b>
CONTRACTUAL SERVICES						
5465-3102-0000 CONSULTANT SERVICES	5,631	3,500	3,500	3,500		3,500
5465-3104-0000 MEDICAL SERVICES		300	300	300		300
5465-3114-0000 LABORATORY TESTING	65	400	400	400		400
5465-3202-0000 POSTAGE & FREIGHT	743	1,000	1,000	1,000		1,000
5465-3203-0000 TRAVEL AND TRAINING	1,189	1,300	1,000	1,300		1,300
5465-3301-0000 AD. ND PUBLIC NOTICES			1,000			-
5465-3302-0000 PRINTING/REPRODUCTION	83	600	600	600		600
5465-3405-0000 WORKERS COMPENSATION	1,246	2,100	1,700	2,000		2,000
5465-3501-0000 ELECTRICITY			2,000	10,000		10,000
5465-3604-0000 MOTOR VEHICLE REPAIRS	118	1,600	1,100	1,600		1,600
5465-3703-0000 CELL/PAGERS/RADIOS	4,021	1,200	1,200	1,300		1,300
5465-3901-0000 DUES & MEMBERSHIP		300	300	300		300
Contractual						
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>13,096</b>	<b>12,300</b>	<b>14,100</b>	<b>22,300</b>	<b>-</b>	<b>22,300</b>
CAPITAL OUTLAY						
10-5465-4201-0000 BLDGS & GROUNDS	38,349		825,000	5,500	63,000	68,500
Capital						-
<b>TOTAL CAPITAL OUTLAY</b>	<b>38,349</b>	<b>-</b>	<b>825,000</b>	<b>5,500</b>	<b>63,000</b>	<b>68,500</b>
<b>TOTAL ANIMAL CONTROL</b>	<b>146,426</b>	<b>127,800</b>	<b>972,100</b>	<b>153,400</b>	<b>63,000</b>	<b>216,400</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>ECONOMIC DEVELOPMENT</b>						
PERSONNEL SERVICES						
5455-1001-0000 SALARIES	88,401	88,900	63,500	91,000		91,000
5455-1005-0000 OVERTIME	1,145	1,000	1,000	1,000	3,900	4,900
5455-1006-0000 LONGEVITY	82	300	200	200		200
5455-1009-0000 TMRS	9,733	9,800	7,100	13,200		13,200
5455-1011-0000 SOCIAL SECURITY	1,265	1,400	1,000	1,400		1,400
5455-1012-0000 GROUP INSURANCE	11,666	14,400	8,000	11,600		11,600
Personnel				-		
<b>TOTAL PERSONNEL SERVICES</b>	<b>112,292</b>	<b>115,800</b>	<b>80,800</b>	<b>118,400</b>	<b>3,900</b>	<b>122,300</b>
MATERIALS & SUPPLIES						
5455-2101-0000 GENERAL OFFICE SUPPLIES	582	600	600	600		600
5455-2102-0000 MAGAZINES/MAPS/BOOKS		-		100		100
5455-2209-0000 UNIFORMS	83	100	200	200		200
5455-2403-0000 COMPUTER HARDWARE & SOFTWARE		-		1,200		1,200
Supplies		-				-
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>665</b>	<b>700</b>	<b>800</b>	<b>2,100</b>	<b>-</b>	<b>2,100</b>
CONTRACTUAL SERVICES						
5455-3102-0000 CONSULTANT SERVICES	725	-				-
5455-3103-0000 LEGAL SERVICES		1,500	1,500	1,500		1,500
5455-3111-0000 SOFTWARE MAINTNENACE	3,192	-	3,500			-
5455-3202-0000 POSTAGE & FREIGHT	83	-		100		100
5455-3203-0000 TRAVEL AND TRAINING	2,280	7,500	3,000	7,000		7,000
5455-3302-0000 PRINTING AND BINDING	6,184	6,000	1,000	10,000		10,000
5455-3405-0000 WORKERS COMPENSATION	152	300	300	300		300
5455-3703-0000 CELL/PAGERS/RADIOS	361	400	400	700		700
5455-3901-0000 DUES & MEMBERSHIP	795	600	1,000	500		500
5000-3995-0000 INCENTIVES	4,321	12,000	3,000	10,000		10,000
Contractual						-
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>18,093</b>	<b>28,300</b>	<b>13,700</b>	<b>30,100</b>	<b>-</b>	<b>30,100</b>
CAPITAL OUTLAY						
5455-4303-0000 MOTOR VEHICLES			-			-
5455-4390-0000 COMPUTER HARDWARE						-
Capital						-
<b>TOTAL CAPITAL OUTLAY</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>131,051</b>	<b>144,800</b>	<b>95,300</b>	<b>150,600</b>	<b>3,900</b>	<b>154,500</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>SOLID WASTE</b>						
CONTRACTUAL SERVICES						
5500-3960-0000 CONTRACT DISPOSAL FEES	697,425	708,500	742,000	753,000	4,000	757,000
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>697,425</b>	<b>708,500</b>	<b>742,000</b>	<b>753,000</b>	<b>4,000</b>	<b>757,000</b>
<b>TOTAL WASTE MANAGEMENT</b>	<b>697,425</b>	<b>708,500</b>	<b>742,000</b>	<b>753,000</b>	<b>4,000</b>	<b>757,000</b>

**Murphy Cable TV PEG**  
**FY 2015 Amended Budget**  
**Summary of Revenues & Expenditures**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>Beginning Fund Balance</b>	\$0	\$0	\$0	\$0		\$0
<b>Revenue</b>						
<i>Cable TV</i>	0	0	0	0	5,200	5,200
<b>Total Revenues</b>	\$0	\$0	\$0	\$0	\$5,200	\$5,200
<b>Expenditures</b>						
<i>Software Maintenance</i>	0	0	0	0	3,200	3,200
<b>Total Expenditures</b>	\$0	\$0	\$0	\$0	\$3,200	\$3,200
<b>Revenues less Expenditures</b>	\$0	\$0	\$0	\$0	\$2,000	\$2,000
<b>Ending Fund Balance</b>	\$0	\$0	\$0	\$0	\$2,000	\$2,000

**Utility Fund**  
**FY 2015 Amended Budget**  
**Summary of Revenues & Expenditures**

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>Revenues</b>						
Water	\$ 4,736,634	\$ 5,037,700	\$ 4,400,000	\$ 5,255,000	\$ 80,000	\$ 5,335,000
Sewer	1,426,922	2,502,000	2,290,000	2,715,000	90,000	2,805,000
Other	216,308	174,700	194,900	183,500	15,000	198,500
<b>Total Revenues</b>	<b>\$ 6,379,864</b>	<b>\$ 7,714,400</b>	<b>\$ 6,884,900</b>	<b>\$ 8,153,500</b>	<b>\$ 185,000</b>	<b>\$ 8,338,500</b>
<b>Expenditures</b>						
Water Distribution	4,482,630	4,223,400	4,145,700	4,716,700	(600,000)	4,116,700
Wastewater Collectio	1,496,084	1,762,200	1,798,000	1,654,300	377,600	2,031,900
Customer Service	410,170	502,800	477,900	857,200	(35,500)	821,700
<b>Total Expenditures</b>	<b>\$ 6,388,885</b>	<b>\$ 6,488,400</b>	<b>\$ 6,421,600</b>	<b>\$ 7,228,200</b>	<b>\$ (257,900)</b>	<b>\$ 6,970,300</b>
Transfer Out	850,000	850,000	850,000	850,000	-	850,000
<b>Revenues less Expenditures</b>	<b>\$ (859,021)</b>	<b>\$ 376,000</b>	<b>\$ (386,700)</b>	<b>\$ 75,300</b>	<b>\$ 442,900</b>	<b>\$ 518,200</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>UTILITY FUND REVENUES</b>						
OTHER REVENUE						
4000-4300-0000 MISCELLANEOUS REVENUE	9,882	15,000	25,000	20,000		20,000
4000-4305-0000 INTEREST INCOME	3,123	3,500	2,400	2,500		2,500
4000-4320-0000 RECONNECT FEES	20,880	24,200	18,500	18,000		18,000
4000-4335-0000 WATER METER FEES	66,035	60,000	55,000	50,000		50,000
4000-4340-0000 WATER PENALTIES	54,804	50,000	49,000	58,000		58,000
4000-4341-0000 SEWER PENALTIES	16,757	17,000	26,000	30,000		30,000
4000-4350-0000 ENGINEERING INSPECTION FEES	44,826	5,000	19,000	5,000	15,000	20,000
<b>TOTAL OTHER REVENUE</b>	<b>216,308</b>	<b>174,700</b>	<b>194,900</b>	<b>183,500</b>	<b>15,000</b>	<b>198,500</b>
<b>WATER REVENUE</b>						
4000-4400-0000 WATER REVENUE	4,735,884	5,037,700	4,400,000	5,255,000	80,000	5,335,000
4000-4405-0000 TAP FEE	750					
<b>TOTAL WATER REVENUE</b>	<b>4,736,634</b>	<b>5,037,700</b>	<b>4,400,000</b>	<b>5,255,000</b>	<b>80,000</b>	<b>5,335,000</b>
<b>SEWER REVENUE</b>						
4000-4500-0000 SEWER SERVICE CHARGE	1,426,922	2,502,000	2,290,000	2,715,000	90,000	2,805,000
<b>TOTAL SEWER REVENUE</b>	<b>1,426,922</b>	<b>2,502,000</b>	<b>2,290,000</b>	<b>2,715,000</b>	<b>90,000</b>	<b>2,805,000</b>
<b>TOTAL REVENUES</b>	<b>6,379,864</b>	<b>7,714,400</b>	<b>6,884,900</b>	<b>8,153,500</b>	<b>185,000</b>	<b>8,338,500</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>WATER DISTRIBUTION</b>						
PERSONNEL SERVICES						
5710-1001-0000 SALARIES	373,203	397,200	365,000	407,000	(40,000)	367,000
5710-1005-0000 OVERTIME	33,623	41,500	41,500	51,500		51,500
5710-1006-0000 LONGEVITY	1,592	2,200	1,500	1,300		1,300
5710-1009-0000 TMRS	44,015	47,300	43,700	65,400		65,400
5710-1011-0000 SOCIAL SECURITY	5,533	6,500	6,000	6,800		6,800
5710-1012-0000 GROUP INSURANCE	81,727	102,600	86,000	94,600	(10,000)	84,600
Personnel					-	
<b>TOTAL PERSONNEL SERVICES</b>	<b>539,693</b>	<b>597,300</b>	<b>543,700</b>	<b>626,600</b>	<b>(50,000)</b>	<b>576,600</b>
MATERIALS & SUPPLIES						
5710-2101-0000 GENERAL OFFICE SUPPLIES	982	2,200	1,900	2,200		2,200
5710-2204-0000 MOTOR VEHICLE FUEL	24,655	26,500	27,900	26,500		26,500
5710-2205-0000 JANITORIAL SUPPLIES	49					-
5710-2209-0000 UNIFORMS	6,399	7,200	7,500	7,200		7,200
5710-2230-0000 FIELD SUPPLIES	32					-
5710-2232-0000 SIGNS AND MARKERS	3,246	1,800	1,200	1,800		1,800
5710-2301-0000 BUILDING/GROUNDS SUP.	65					-
5710-2302-0000 STREET AND BRIDGES SUP.	27		1,300			-
5710-2303-0000 WATER/SEWER MAIN REPAIR	20,562	50,000	47,000	50,000	(25,000)	25,000
5710-2305-0000 LAB AND CHEMICAL SUP.	995	3,300	3,000	3,300		3,300
5710-2306-0000 FIRE HYDRANT MAINTENANCE	2,235	2,000	2,000	3,000		3,000
5710-2309-0000 PAINT, LUMBER & HARDWARE	416	1,000	1,000	1,000		1,000
5710-2311-0000 WATER METER PARTS	8,154	10,000	10,000			-
5710-2312-0000 MOTOR VEHICLE SUPPLIES	6,662	9,800	6,000	5,500		5,500
5710-2313-0000 W/S MACH. & EQUPT. REPAIR	1,137		100			-
5710-2318-0000 WATER METERS	114,635	182,300	150,000			-
5710-2401-0000 MINOR TOOLS & EQPT.	19,771	10,000	10,000	10,000		10,000
5710-2403-0000 COMPUTER HARD. & SOFT.		5,000				-
5710-2441-0000 SAFETY EQUIPMENT	865	1,000	2,200	1,000		1,000
5710-2499-0000 DEPRECIATION EXPENSE	912,528					-
Supplies						
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>1,123,415</b>	<b>312,100</b>	<b>271,100</b>	<b>111,500</b>	<b>(25,000)</b>	<b>86,500</b>
CONTRACTUAL SERVICES						
5710-3102-0000 CONSULTING SERVICES			50,000			-
5710-3104-0000 MED. SERVICES/PREEMPLOYMENT		300	300	300		300
5710-3105-0000 ENGINEERING SERVICES	1,546	15,000	10,000	15,000		15,000
5710-3111-0000 SOFTWARE MAINTENANCE	7,115	7,400	11,900			-
5710-3114-0000 LABORATORY TESTING	459	3,500	3,500	7,500		7,500
5710-3199-0000 CONTRACT LABOR		7,500				-
5710-3201-0000 TELEPHONE EXPENSES	1,337	1,400	1,400	1,500		1,500
5710-3202-0000 POSTAGE & FREIGHT	105	100	100	100		100
5710-3203-0000 TRAVEL AND TRAINING	10,888	13,800	12,000	13,800		13,800
5710-3301-0000 AD. AND PUBLIC NOTICES			1,000			-
5710-3302-0000 PRINTING/BINDING	2,773	7,000	5,000	4,000		4,000
5710-3405-0000 WORKERS COMPENSATION	8,169	11,600	11,200	12,000		12,000
5710-3407-0000 UNEMPLOYMENT	2,885		1,800			-
5710-3501-0000 ELECTRICITY	142,237	160,200	150,000	154,000		154,000
5710-3502-0000 GAS	651	900	1,000	1,500		1,500
5710-3505-0000 COST OF WATER	2,378,851	2,671,300	2,657,500	2,920,400	(190,000)	2,730,400
5710-3602-0000 FIXED PLANT EQPT. R & M	10,176	40,200	40,200	29,000		29,000
5710-3604-0000 MOTOR VEHICLE REPAIRS	4,125	10,300	6,000	6,000		6,000

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>WATER DISTRIBUTION</b>						
5710-3606-0000 HEAVY EQPT. R & M	1,573	5,800	9,000	6,000		6,000
5710-3615-0000 SMALL ENGINE R & M			100			-
5710-3702-0000 RENTAL OFFICE EQPT.	6,360	6,100	6,600	7,200		7,200
5710-3703-0000 CELL/PAGERS/RADIOS	3,178	9,300	6,000	11,100		11,100
5710-3704-0000 RENTAL MACHINERY & EQPT	210		2,800			-
5710-3715-0000 LEASES				1,500		1,500
5710-3901-0000 DUES & MEMBERSHIP	15,818	18,600	17,000	18,700		18,700
Contractual						
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>2,598,456</b>	<b>2,990,300</b>	<b>3,004,400</b>	<b>3,209,600</b>	<b>(190,000)</b>	<b>3,019,600</b>
<b>CAPITAL OUTLAY</b>						
5710-4303-0000 MOTOR VEHICLES		45,000	49,500	74,000		74,000
5710-4321-0000 SOFTWARE APPLICATIONS	14,641	41,200	42,500	55,000		55,000
5710-4390-0000 COMPUTER HARDWARE				61,200		61,200
5710-4399-0000 MISCELLANEOUS EQPT.		71,400	71,400	413,000	(350,000)	63,000
Capital						
<b>TOTAL CAPITAL OUTLAY</b>	<b>14,641</b>	<b>157,600</b>	<b>163,400</b>	<b>603,200</b>	<b>(350,000)</b>	<b>253,200</b>
<b>DEBT SERVICE</b>						
5710-5001-0000 DEBT SERVICE	107,500	89,100	89,100	91,600		91,600
5710-5002-0000 INTEREST	98,925	77,000	74,000	74,200	15,000	89,200
<b>TOTAL DEBT SERVICE</b>	<b>206,425</b>	<b>166,100</b>	<b>163,100</b>	<b>165,800</b>	<b>15,000</b>	<b>180,800</b>
<b>TOTAL WATER DISTRIBUTION</b>	<b>4,482,630</b>	<b>4,223,400</b>	<b>4,145,700</b>	<b>4,716,700</b>	<b>(600,000)</b>	<b>4,116,700</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>WASTEWATER COLLECTION</b>						
PERSONNEL SERVICES						
5720-1001-0000 SALARIES	36,495	36,800	37,100	39,300	(5,000)	34,300
5720-1005-0000 OVERTIME	2,671	6,600	6,600	6,600		6,600
5720-1006-0000 LONGEVITY	184	300	300	300		300
5720-1009-0000 TMRS	4,259	4,800	4,800	6,500		6,500
5720-1011-0000 SOCIAL SECURITY	510	700	700	400		400
5720-1012-0000 GROUP INSURANCE	13,315	13,900	13,000	14,100	(4,000)	10,100
Personnel						
<b>TOTAL PERSONNEL SERVICES</b>	<b>57,433</b>	<b>63,100</b>	<b>62,500</b>	<b>67,200</b>	<b>(9,000)</b>	<b>58,200</b>
MATERIALS & SUPPLIES						
5720-2101-0000 GENERAL OFFICE SUPPLIES	76	200	200	200		200
5720-2204-0000 MOTOR VEHICLE FUEL	3,798	6,300	3,800	4,000		4,000
5720-2209-0000 UNIFORMS	567	800	800	800		800
5720-2303-0000 WATER/SEWER MAIN REPAIR	109,775	120,000	120,000	20,000	(13,000)	7,000
5720-2304-0000 LIFT STATION MAINTENANCE	3,594	2,100	6,000	4,200		4,200
5720-2305-0000 LAB AND CHEMICAL SUPPLIES	76	3,500	3,500	3,500		3,500
5720-2312-0000 MOTOR VEHICLE SUPPLIES	1,880	1,000	1,000	1,000		1,000
5720-2313-0000 W/S MACH. & EQPT. REPAIR	840	6,500	4,000	6,500	(4,000)	2,500
5720-2401-0000 MINOR TOOLS & EQPT.	1,440	2,000	2,000	2,000		2,000
5720-2441-0000 SAFETY EQUIPMENT			300			-
Supplies						
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>122,046</b>	<b>142,400</b>	<b>141,600</b>	<b>42,200</b>	<b>(17,000)</b>	<b>25,200</b>
CONTRACTUAL SERVICES						
5720-3102-0000 CONSULTANT SERVICES	7,200	7,200	1,000			-
5720-3105-0000 ENGINEERING SERVICES	38,281	40,000	55,000	10,000		10,000
5720-3199-0000 CONTRACT LABOR			2,300			-
5720-3201-0000 TELEPHONE EXPENSES	585	700	700	700		700
5720-3202-0000 POSTAGE & FREIGHT	152					-
5720-3203-0000 TRAVEL AND TRAINING	686	1,300	1,300	1,400		1,400
5720-3301-0000 AD AND PUBLIC NOTICES	950					-
5720-3405-0000 WORKERS COMPENSATION	722	1,400	1,400	1,500		1,500
5720-3501-0000 ELECTRICITY	12,525	13,000	14,000	15,000		15,000
5720-3504-0000 COST OF SEWER OPERATIONS	564,350	735,500	761,600	837,600	209,600	1,047,200
5720-3602-0000 FIXED PLANT EQPT. R & M		3,600	3,600	3,000		3,000
5720-3604-0000 MOTOR VEHICLE REPAIRS		3,000	2,000	1,000		1,000
5720-3715-0000 LEASES				300		300
5720-3901-0000 DUES & MEMBERSHIP	50	600	600	3,500		3,500
Contractual						
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>625,501</b>	<b>806,300</b>	<b>843,500</b>	<b>874,000</b>	<b>209,600</b>	<b>1,083,600</b>
CAPITAL OUTLAY						
5720-4305-0000 SPECIAL EQUIPMENT	8,944	-		106,000	(90,000)	16,000
5720-4402-0000 SEWER COLLECTION LINE	63,849					-
5720-4303-0000 MOTOR VEHICLES		82,400	82,400		16,000	16,000
Capital						
<b>TOTAL CAPITAL OUTLAY</b>	<b>72,793</b>	<b>82,400</b>	<b>82,400</b>	<b>106,000</b>	<b>(74,000)</b>	<b>32,000</b>
DEBT SERVICE						
5720-5001-0000 DEBT SERVICE	195,000	543,000	543,000	526,000	132,500	658,500
5720-5002-0000 INTEREST	423,310	125,000	125,000	38,900	135,500	174,400
<b>TOTAL DEBT SERVICE</b>	<b>618,310</b>	<b>668,000</b>	<b>668,000</b>	<b>564,900</b>	<b>268,000</b>	<b>832,900</b>
<b>TOTAL WASTEWATER COLLECTION</b>	<b>1,496,084</b>	<b>1,762,200</b>	<b>1,798,000</b>	<b>1,654,300</b>	<b>377,600</b>	<b>2,031,900</b>

**City of Murphy  
FY 2015 Amended Budget**

Agenda Item 7.B.

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>CUSTOMER SERVICE</b>						
PERSONNEL SERVICES						
5730-1001-0000 SALARIES	212,049	244,500	233,000	262,400	(6,000)	256,400
5730-1005-0000 OVERTIME	6,185	3,300	6,500	7,500		7,500
5730-1006-0000 LONGEVITY	1,380	1,700	1,900	1,700		1,700
5730-1009-0000 TMRS	23,852	26,800	26,300	38,400		38,400
5730-1011-0000 SOCIAL SECURITY	3,069	3,700	3,500	3,800		3,800
5730-1012-0000 GROUP INSURANCE	32,033	58,700	40,300	59,200	(9,000)	50,200
Personnel						
<b>TOTAL PERSONNEL SERVICES</b>	<b>278,568</b>	<b>338,700</b>	<b>311,500</b>	<b>373,000</b>	<b>(15,000)</b>	<b>358,000</b>
MATERIALS & SUPPLIES						
5730-2101-0000 GENERAL OFFICE SUPPLIES	4,120	5,500	5,500	5,800		5,800
5730-2204-0000 MOTOR VEHICLE FUEL			1,000	4,400		4,400
5730-2209-0000 UNIFORMS		300	300	1,200		1,200
5730-2311-0000 WATER METER PARTS				10,000		10,000
5730-2312-0000 MOTOR VEHICLE SUPPLIES				700		700
5730-2401-0000 MINOR TOOLS & EQPT.				1,000		1,000
5730-2318-0000 WATER METERS				222,500	(50,000)	172,500
5730-2441-0000 SAFETY EQUIPMENT				200		200
Supplies						
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>4,120</b>	<b>5,800</b>	<b>6,800</b>	<b>245,800</b>	<b>(50,000)</b>	<b>195,800</b>
CONTRACTUAL SERVICES						
5730-3101-0000 AUDITING AND ACCOUNTING	8,430	12,500	12,500	14,000		14,000
5730-3111-0000 SOFTWARE MAINTENANCE	22,664	23,400	24,000	25,500	22,000	47,500
5730-3115-0000 BANK SERVICE FEES		1,800				-
5730-3116-0000 CREDIT CARD FEES	45,083	43,800	43,800	52,200	12,500	64,700
5730-3202-0000 POSTAGE & FREIGHT	28,169	32,000	30,000	32,000		32,000
5730-3203-0000 TRAVEL AND TRAINING	3,873	8,500	8,500	12,200		12,200
5730-3301-0000 AD. AND PUBLIC NOTICES			800	800		800
5730-3302-0000 PRINTING AND BINDING	11,859	23,500	23,500	25,300	(10,000)	15,300
5730-3402-0000 SURETY, FIDELITY BONDS	380	1,600				-
5730-3405-0000 WORKERS COMPENSATION			900	1,800		1,800
5730-3407-0000 UNEMPLOYMENT	6,360	6,100				-
5730-3604-0000 MOTOR VEHICLE REPAIRS			500	1,500		1,500
5730-3702-0000 RENTAL OFFICE EQPT.	360	1,000	6,400	7,300		7,300
5730-3703-0000 CELL/PAGERS/RADIOS	194	600	400	2,100		2,100
5730-3901-0000 DUES & MEMBERSHIP			600	1,600		1,600
Contractual						
<b>TOTAL CONTRACTUAL SERVICES</b>	<b>127,372</b>	<b>154,800</b>	<b>151,900</b>	<b>176,300</b>	<b>24,500</b>	<b>200,800</b>
CAPITAL OUTLAY						
5730-4301-00000 FURNITURE & FIXTURES		1,000	1,500	9,500	5,000	14,500
5730-4305-00000 SPECIAL EQUIPMENT			1,100	52,600		52,600
5730-4321-0000 SOFTWARE APPLICATIONS	110		2,600			-
5730-4390-0000 HARDWARE AND SOFTWARE		2,500	2,500			-
<b>TOTAL CAPITAL OUTLAY</b>	<b>110</b>	<b>3,500</b>	<b>7,700</b>	<b>62,100</b>	<b>5,000</b>	<b>67,100</b>
<b>TOTAL CUSTOMER SERVICE</b>	<b>410,170</b>	<b>502,800</b>	<b>477,900</b>	<b>857,200</b>	<b>(35,500)</b>	<b>821,700</b>

**Capital Improvement Fund**  
**FY2015 Amended Budget**  
*Summary of Revenues & Expenditures*

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b>Beginning Fund Balance</b>	<b>\$435,481</b>	<b>\$286,081</b>	<b>\$506,141</b>	<b>\$231,441</b>		<b>\$231,441</b>
<b>Revenues</b>						
Miscellaneous Revenue	70,000	-	-	-	7,000	7,000
Interest Income	614	400	300	400	(200)	200
<b>Total Revenues</b>	<b>\$70,614</b>	<b>\$400</b>	<b>\$300</b>	<b>\$400</b>	<b>\$6,800</b>	<b>\$7,200</b>
<b>Expenditures</b>						
Contractual Services	(46)	-	-	-	-	-
Capital Outlay	-	55,000	275,000	-	20,000	20,000
<b>Total Expenditures</b>	<b>(\$46)</b>	<b>\$55,000</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>Revenues Less Expenditures</b>	<b>\$70,660</b>	<b>(\$54,600)</b>	<b>(\$274,700)</b>	<b>\$400</b>	<b>(\$13,200)</b>	<b>(\$12,800)</b>
<b>Fund Balance</b>	<b>\$506,141</b>	<b>\$231,481</b>	<b>\$231,441</b>	<b>\$231,841</b>	<b>(\$13,200)</b>	<b>\$218,641</b>

**Police Seizure Fund**  
**FY 2015 Amended Budget**  
**Summary of Revenues & Expenditures**

Agenda Item 7.B.

	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Budget	FY15 Adjustment	FY15 Amended
<b><i>Beginning Fund Balance</i></b>	\$0	\$0	\$0	\$0		18,674
<b><i>Revenue</i></b>						
<i>Misc Revenue</i>	0	0	0	0	13,600	13,600
<b><i>Total Revenues</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,600</b>	<b>\$13,600</b>
<b><i>Expenditures</i></b>						
<i>Misc Expense</i>	0	0	0	0	21,300	21,300
<b><i>Total Expenditures</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,300</b>	<b>\$21,300</b>
<b><i>Revenues less Expenditures</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,700)</b>	<b>(\$7,700)</b>
<b><i>Ending Fund Balance</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$10,974</b>

**4B Murphy Economic Development Corporation  
FY 2015 Amended Budget**

Agenda Item 7.B.

**Summary of Revenues & Expenditures**

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>Beginning Fund Balance</b>	<b>\$852,210</b>	<b>\$255,709</b>	<b>\$352,920</b>	<b>\$417,120</b>		<b>\$417,120</b>
<b>Revenue</b>						
<i>Sales Tax</i>	640,805	862,000	862,000	883,600	-	883,600
<i>Interest</i>	844	1,000	200	300	-	300
<b>Total Revenues</b>	<b>\$641,649</b>	<b>\$863,000</b>	<b>\$862,200</b>	<b>\$883,900</b>	<b>-</b>	<b>\$883,900</b>
<b>Expenditures</b>						
<i>Personnel Services</i>	(19)	0	0	61,100	-	61,100
<i>Materials &amp; Supplies</i>	306	193,600	192,350	201,300	-	201,300
<i>Contractual Services</i>	145,094	181,400	185,350	198,400	37,748	236,148
<i>Capital Outlay</i>	509,208	91,800	91,800	148,800	-	148,800
<i>Debt Service</i>	486,350	328,500	328,500	329,000	-	329,000
<b>Total Expenditures</b>	<b>\$1,140,939</b>	<b>\$795,300</b>	<b>\$798,000</b>	<b>\$938,600</b>	<b>\$37,748</b>	<b>\$976,348</b>
<b>Revenues less Expenditures</b>	<b>(\$499,290)</b>	<b>\$67,700</b>	<b>\$64,200</b>	<b>(\$54,700)</b>	<b>(\$37,748)</b>	<b>(\$92,448)</b>
<b>Ending Fund Balance</b>	<b>\$352,920</b>	<b>\$323,409</b>	<b>\$417,120</b>	<b>\$362,420</b>		<b>\$324,672</b>

**Capital Construction Fund**  
**FY 2015 Amended Budget**  
*Summary of Revenues & Expenditures*

	<b>FY13 Actual</b>	<b>FY14 Budget</b>	<b>FY14 Projected</b>	<b>FY15 Budget</b>	<b>FY15 Adjustment</b>	<b>FY15 Amended</b>
<b>Beginning Fund Balance</b>	<b>\$7,438,044</b>	<b>\$4,127,144</b>	<b>\$3,265,199</b>	<b>\$4,767,999</b>		<b>\$4,767,999</b>
<b>Revenue</b>						
<i>Interest</i>	7,834	8,000	4,800	4,000	-	4,000
<i>Texas Parks WD Grants</i>	304,872	-	162,300	-	-	-
<i>Collin County Grant</i>	591,000	640,120	769,600	-	386,300	386,300
<i>Energy Grant</i>	57,576	-	-	-	-	-
<i>State of Texas - RER</i>	97,115	2,130,500	2,130,400	332,900	863,000	1,195,900
<i>Safe Routes To School</i>		504,000	-	1,029,600	-	1,029,600
<i>Transfer from 4B</i>	325,000	-	-	-	-	-
<i>Transfer from MMDD</i>	600,000	500,000	850,000	-	-	-
<i>Misc Revenue</i>	100,000	-	55,500	-	-	-
					-	-
<b>Total Revenues</b>	<b>\$ 2,083,396</b>	<b>\$ 3,782,620</b>	<b>\$ 3,972,600</b>	<b>\$ 1,366,500</b>	<b>\$ 1,249,300</b>	<b>\$ 2,615,800</b>
<b>Expenditures</b>						
<i>Contractual Services</i>	324,402	517,700	677,700	29,900	118,000	147,900
<i>Capital Outlay</i>	5,931,839	3,645,500	1,792,100	3,618,400	2,200,000	5,818,400
<b>Total Expenditures</b>	<b>6,256,241</b>	<b>\$4,163,200</b>	<b>\$2,469,800</b>	<b>\$3,648,300</b>	<b>\$2,318,000</b>	<b>\$5,966,300</b>
<b>Revenues less Expenditures</b>	<b>(4,172,844)</b>	<b>(380,580)</b>	<b>1,502,800</b>	<b>(2,281,800)</b>	<b>(1,068,700)</b>	<b>(3,350,500)</b>
<b>Ending Fund Balance</b>	<b>\$3,265,199</b>	<b>\$3,746,564</b>	<b>\$4,767,999</b>	<b>\$2,486,199</b>		<b>\$1,417,499</b>

**City Council**  
**January 5, 2016**

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**Issue**

Hold a public hearing and consider and/or act on the application of Anshu Jain requesting to amend the Concept Plan for approximately 6.43 acres of property zoned PD (Planned Development) District No. 09-02-785, as amended by Ordinance No. 14-04-975, located on FM 544 approximately 800' west of Heritage Parkway for Lots 2-3, Block A, Nelson Addition.

**Background**

- The Planned Development (PD) District Ordinance No. 09-02-785 was City of Murphy initiated and approved for this property by City Council on February 16, 2009.
- This property's zoning was amended in 2009 following public input and public hearings.
- Planned Development District No. 09-02-785 was created in order to provide consistent zoning that is compatible with the surrounding property including residential neighborhoods.
- PD No. 09-02-785 was amended by Ordinance No. 14-04-975 which allowed for veterinary use and added additional development requirements as noted in the Ordinance (Exhibit D).

**Summary**

This consideration item is for an amendment to the Concept Plan, which is an exhibit to the Planned Development Ordinance for this property.

Any proposed development would be required as such to submit full site plan and construction plat details for review and consideration; however, must be in line with the Concept Plan for this property.

Note: No changes to the Planned Development District, including building setbacks or permitted uses, are being requested.

**Considerations regarding Concept Plan**

The Concept Plan is recommended as a guide for future and unknown development for a site.

- The initial Concept Plan for the property was approved in April 2014
  - o Users for Lot 1 and 2 were unknown at that time.
- On November 24, 2014 the Concept Plan for this property was revised to accommodate potential future development of Lot 2.
- In order to accommodate future development of the same user (Smiles at Murphy) and offices from November 2014, the applicant is requesting an additional amendment to the Concept Plan.

The applicant is requesting this amendment based on variety of reasons however is not requesting any amendments to the Planned Development District requirements.

**City Council**  
**January 5, 2016**

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Following the completion of the development to the east on Lot 1 (veterinary clinic), the topography on this site changed.

- By shifting and combining the north/south fire lanes into one fire lane as described below, the owner is able to continue to preserve an existing 26" pecan tree located on Lot 3, just north of the existing entrance from FM 544, which was intentionally preserved during development of Lot 1.
  - o The current Concept Plan would allow for this tree to be removed. The proposed amendment preserves this tree.
- The proposed Concept Plan amendment better facilitates a 24-foot elevation differential in the terrain from the eastern lot line of Lot 2, to the western line of Lot 3.
- To solve this difficult grading challenge, they combining the north/south fire lanes into one shared fire lane to be located over the common lot line of the two lots, with a complete turn-around at the open area on the north end of Lot 2, as shown in the proposed Concept Plan.
- This pavement, not the building, is being proposed approximately 65-feet further north than the previous Concept Plan, or about 55-feet from the nearest residential lot.
  - o As a reference, based on current Office District zoning set back requirements, the allowed building setback is 40 feet from the nearest residential property line.
- The overall building square footage is less by approximately 1,100 square feet than the previous Concept Plan.
- With this submittal, the applicant also requests that a wooden screening fence be allowed were no fences or residences currently exist along the north property lines of this property if desired by Council.

**Public Notice**

A public hearing notification for this proposed zoning change request was published in the newspaper as well as notification being mailed to the property owners included in the required 200 feet notification radius.

**Board Discussion/Action**

On December 28, 2015, the Planning & Zoning Commission voted to deny this Concept Plan amendment by a vote of 6-0.

**Applicant appeal process**

Section 30.02.229 Approval Process and revisions -

If the planning and zoning commission recommends disapproval of a plan application, the commission shall state such disapproval and the reasons therefor. The applicant or property owner may appeal such decision to city council by filing a written notice of appeal in the office of the city manager, or his designee, no later than ten calendar days after the date upon which

**City Council  
January 5, 2016**

---

the commission denied the application.... The city council may change the decision of the commission only by a three-quarters vote of the full city council.

The applicant has submitted an appeal of the Planning & Zoning Commission's decision in writing, to be considered by City Council on January 5, 2016.

**Recommendation**

Approve the request to amend the Concept Plan for approximately 6.43 acres of property zoned PD (Planned Development) District No. 09-02-785, as amended by Ordinance No. 14-04-975, located on FM 544 approximately 800' west of Heritage Parkway for Lots 2-3, Block A, Nelson Addition to include the notation "A natural vegetative buffer including the existing tree line shall be maintained adjacent to the residential lots."

Also, at the time of site plan submittal, a tree survey and mitigation plan must also be submitted for consideration as it relates to the enhancement of the buffer between this site and the adjacent residences.

**Attachments**

Exhibit A – Property Location aerial

Exhibit B - Proposed amended Concept Plan

Exhibit C – Overlay of Proposed Concept Plan vs. Current Concept Plan for reference

Exhibit D – Planned Development District Ordinance No. 09-02-785 as amended by Ordinance No. 14-04-975 and initial and current Concept Plan

Reply Forms received prior to the Council meeting

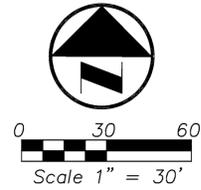
# Exhibit A

## Property Location aerial



# Exhibit B

## Proposed amended Concept Plan



WIND HILL FARMS #1  
(CAB. M, PG. 601)  
BLOCK F  
LOT 19R

WIND HILL FARMS #1  
(CAB. L, PG. 002)  
BLOCK K

LOT 8 LOT 9 LOT 10

S.89°36'27"E. 75.47'

EX. 15' UTIL. ESMT. (VOL. 1105, PG. 89)

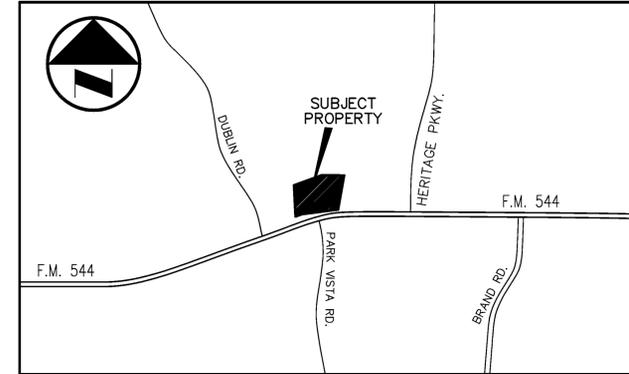
N.70°04'51"E. 265.43'  
335.16'

100' SETBACK FROM TOP OF CREEK BANK.

PROP. DUMPSTER ENCLOSURE TO MATCH BUILDING MATERIALS

PROP. 24' FIRELANE, ACCESS, UTILITY & DRAINAGE EASEMENT

NIKO JESSIE CARBONELL, LLC  
(CC # 20140529000534500)  
EAST PLANO ANIMAL HOSPITAL



VICINITY MAP  
(NTS)

APPROXIMATE LOCATION OF THE 100-YEAR FLOODPLAIN AS SCALED FROM THE FEMA MAP PANEL 48085C0395J, EFFECTIVE DATE OF JUNE 2, 2009.

NELSON LIVING TRUST  
(CC # 20101227001418120)  
VACANT LAND

N.02°47'06"W. 359.55'

100' SETBACK FROM TOP OF CREEK BANK.

LOT 3  
7,000 S.F. FUTURE BUILDING  
1,000 S.F. GENERAL OFFICE  
7,000 S.F. MEDICAL OFFICE

7,820 S.F. PROPOSED BUILDING  
LOT 2

LOT 1  
EXISTING BUILDING

S.03°24'39"W. 405.79'

S.03°24'21"W.

PROP. 24' FIRELANE, ACCESS, UTILITY & DRAINAGE EASEMENT

EX. 24' FIRELANE, ACCESS, UTILITY & DRAINAGE EASEMENT

EXISTING 24' FIRELANE

EX. 30' UTIL. ESMT. (VOL. 4918, PG. 321)

EX. 15' UTIL. ESMT. (VOL. 1105, PG. 89)

EX. 30' N.T.M.W.D. ESMT. (VOL. 512, PG. 506)

S.70°17'08"W. 82.78'

131.06'

S.82°44'26"W. 273.13'

142.07'

F.M. HIGHWAY NO. 544  
(VARIABLE WIDTH R.O.W.)

PARK VISTA RD.

ITEM	LOT 2	LOT 3
ZONING:	PD-14-04-975 (Office)	PD-14-04-975 (Office)
PROPOSED USE:	MEDICAL OFFICE	MEDICAL OFFICE
TOTAL LOT AREA:	1.33 AC.	1.60 AC.
TOTAL BUILDING AREA:	7,820 S.F.	7,000 S.F.
BUILDING HEIGHT:	28'-0" (1-STORY)	28'-0" (1-STORY)
LOT COVERAGE:	13.5%	10.0%
PROPOSED FAR:	0.13	0.10
PARKING REQUIRED:	53 SPACES	44 SPACES
GENERAL OFFICE	0 SPACES	4 SPACES
MEDICAL OFFICE	53 SPACES	40 SPACES
PARKING PROVIDED:	53 SPACES	45 SPACES
HANDICAP PARKING REQUIRED:	3 SPACES	2 SPACES
HANDICAP PARKING PROVIDED:	3 SPACES	2 SPACES

ENGINEER:  
**ROLAND FOERSTER  
CIVIL ENGINEER**  
5110 C.R. 424  
ANNA, TEXAS 75409  
(214) 544-8888  
email: rfoer@flash.net  
Firm No. F-506

A ZONING DOCUMENT FOR PLANNING REVIEW  
NOT INTENDED FOR CONSTRUCTION PURPOSES

REVISED CONCEPT PLAN

LOTS 2 & 3 BLOCK A  
NELSON ADDITION

SMILES at MURPHY OFFICE BUILDING

CITY OF MURPHY, COLLIN COUNTY, TEXAS

Date: November, 2015 Scale: 1" = 30' Sheet: CP-1

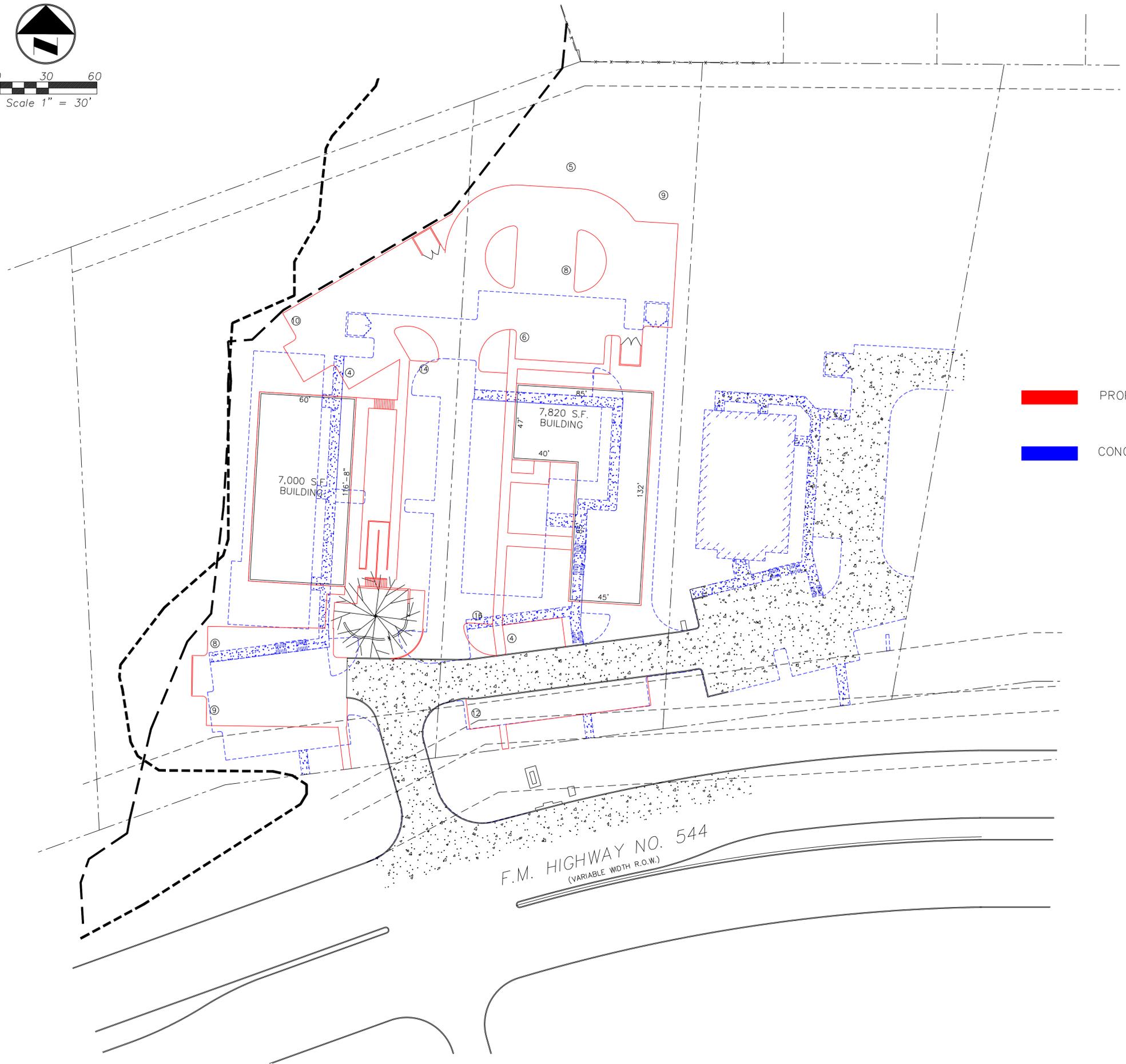
PROJ. # 6259

# Exhibit C

Overlay of Proposed  
Concept Plan vs.  
Current Concept Plan  
for reference



0 30 60  
Scale 1" = 30'



 PROPOSED CONCEPT PLAN  
 CONCEPT PLAN PER PD

# SMILES at MURPHY OFFICE BUILDING

ENGINEER:  
**ROLAND FOERSTER**  
CIVIL ENGINEER  
5110 C.R. 424  
ANNA, TEXAS 75409  
(214) 544-8888  
email: rfc@flash.net  
Firm No. F-506

FOR PLANNING  
REVIEW  
NOT A CONSTRUCTION  
DOCUMENT.

Revisions:

PRELIMINARY CONCEPT PLAN

LOT 2, BLOCK A  
NELSON ADDITION  
SMILES at MURPHY OFFICE BUILDING

CITY OF MURPHY, COLLIN COUNTY, TEXAS

Date: October, 2015      Scale: 1" = 30'      Sheet: PCP-1

# Exhibit D

Planned Development  
District Ordinance No.  
09-02-785 as amended by  
Ordinance No. 14-04-975 and  
initial and current Concept  
Plan

**ORDINANCE 09-02-785**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, COLLIN COUNTY, TEXAS, AMENDING ITS COMPREHENSIVE ZONING ORDINANCE AND MAP, CHAPTER 86 OF THE CITY OF MURPHY CODE OF ORDINANCES BY CHANGING THE ZONING CLASSIFICATION ON APPROXIMATELY 6.43 ACRES OUT OF THE MARY SCOTT SURVEY, ABSTRACT NO. 859, LOCATED IN THE CITY OF MURPHY, COLLIN COUNTY, TEXAS AND MORE PARTICULARLY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE FOR ALL PURPOSES, FROM SF-20 (SINGLE FAMILY RESIDENTIAL) DISTRICT TO PD (PLANNED DEVELOPMENT) DISTRICT FOR OFFICE USES WITH CONDITIONS HERETO DESCRIBED AS EXHIBIT "B"; PROVIDING A SEVERABILITY CLAUSE, PROVIDING A PENALTY CLAUSE, AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission of the City of Murphy and the City Council of the City of Murphy, in compliance with the laws of the State of Texas, have given the requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested, and the City Council of the City of Murphy is of the opinion and finds that said changes should be granted and that the Comprehensive Zoning Ordinance should be amended;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AS FOLLOWS:**

**Section 1.** That the Comprehensive Zoning Ordinance and Map of the City of Murphy, Texas, be, and the same are hereby, amended so as to grant a Planned Development District for Office Uses for the property described as 6.43 acres, more or less, in the Mary Scott Survey, Abstract No. 859, in the City of Murphy, Collin County, Texas, and more particularly described in Exhibit "A" attached hereto and made part hereof for all purposes.

**Section 2.** That the development standards for this Planned Development District are attached hereto as Exhibit "B", and the same are hereby approved for said Planned Development District as required by Section 86-603, of the City of Murphy, Texas Code of Ordinances.

**Section 3.** That Chapter 86 of the City of Murphy Code of Ordinances, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

**Section 4.** If any word, section, article, phrase, paragraph, sentence, clause or portion of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect, for any reason, the validity of the remaining portions of the Comprehensive Zoning Ordinance, Chapter 86 of the City of Murphy Code of Ordinances, and the remaining portions shall remain in full force and effect.

**Section 5.** Any person, firm or corporation violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and, upon conviction, in the municipal court of the City of Murphy, Texas, shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

**Section 6.** This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such cases provide.

**PASSED, APPROVED AND ADOPTED** this the 16th day of February 2009.

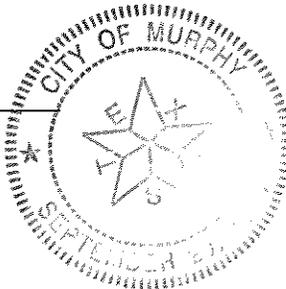


\_\_\_\_\_  
Bret M. Baldwin, Mayor  
City of Murphy

ATTEST:



\_\_\_\_\_  
Aimee Nemer, City Secretary  
City of Murphy





**EXHIBIT A**

**Legal Description**

Being a acre tract of land situated in the Mary Scott Survey, Abstract No. 859, City of Murphy, Collin County, Texas and containing 6.43 acres of land.

**EXHIBIT B****ZONING FILE NO. 2009-02****FM 544****Between Dublin Road and Heritage Parkway****PLANNED DEVELOPMENT CONDITIONS**

- I. **Statement of Purpose:** The purpose and intent of this Planned Development District is to permit the development of medical and office uses.
- II. **Statement of Effect:** This Planned Development shall not affect any regulation found in the City of Murphy Code of Ordinances, Ordinance No. 06-12-708, as amended, except as specifically provided herein.
- III. **General Regulations:** All regulations of the O (Office) District set forth in Article III, Division 12 of the City of Murphy Code of Ordinances (Ordinance No. 06-12-708), as amended, are included by reference, except as otherwise specified by this ordinance.
- IV. **Development Plans:**
- A. A Concept Plan shall be approved as outlined in Article II, Division 5 of the Code of Ordinances prior to the acceptance of a site plan for any part or all of this Planned Development District. The concept plan shall include proposed landscape areas and proposed building elevations and design elements. Approval of the Concept Plan shall be based on general conformance with the approved Planned Development District conditions and regulations set forth in this ordinance. Approval of a Concept Plan through the zoning public hearing process (as outlined in Article II, Division 5) is required. In addition, the Concept Plan shall have the following elements.
- Traffic circulation;
  - Cross access;
  - Driveway location;
  - Conceptual design elevations;
  - Development construction schedule;
  - Elements used to buffer nonresidential and residential development;
  - Pedestrian circulation;
  - Landscape buffer areas;
  - Building orientation.
- B. Concept Plan approval shall be for a period of one year from the date of City Council action on the plan. If within that one-year period a site plan has been submitted for a portion of the development, then the Concept Plan shall be deemed to have no expiration date. Site plans shall be valid for a period of six (6) months from the date of City Council action on the plan.
- V. **Specific Regulations:**
- A. Permitted Uses: Only the following uses shall be permitted.
1. Credit Agency
  2. Insurance Agency Offices
  3. Offices (Brokerage Services)

4. Offices (Health Services)
  5. Offices (Legal Services)
  6. Offices (Medical Office)
  7. Offices (Professional)
  8. Real Estate Offices
- B. Height Regulations: The maximum height shall be one (1) story or twenty-five (25) feet.
- C. Tree Preservation/Mitigation: All existing trees on the subject property shall comply with Section 86-740 of the Code of Ordinances. In addition, a tree preservation/mitigation plan shall be required to be submitted at the time of application. For any tree removed between 15.1 caliper inches and 24 caliper inches, a negative credit of (-6) shall be applied. For any tree removed larger than 24 caliper inches, a negative credit of (-8) shall be applied.
- D. Landscaping: All landscaping shall comply with Section 86-736 of the Code of Ordinances. In addition, a landscape plan shall be required to be submitted at the time of application.
- E. Screening: Screening between the north property line and the single family subdivision to the north shall be accomplished via the construction of an eight (8) foot high board-on-board fence at grade. This fence shall be required behind 120 Collin Court; 121 Sarah Drive; 628 John Close Drive and 632 John Close Drive.
- F. Exterior Building Materials: All exterior building materials shall comply with Section 86-802(3) of the Code of Ordinances. In addition, building elevations (indicating percentage of material per elevation) shall be required to be submitted at the time of application. A minimum of two masonry materials shall be required.
- G. Lighting: No exterior lighting shall be allowed to be placed on the outside perimeter on office buildings facing adjacent residential properties to the north. No light standards shall be placed in parking areas adjacent to residentially zoned property that are higher than four (4) feet. All light standards shall have shielding to prevent light pollution.
- H. Rooftop Mechanical Equipment: Rooftop mechanical equipment shall not be permitted.
- I. Outside Storage: No outside/outdoor storage shall be permitted.

**ORDINANCE NO. 14-04-975**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AMENDING ORDINANCE NO. 09-02-785 TO ADD VETERINARY CLINIC (NO OUTSIDE KENNELS) AS A PERMITTED USE, TO REMOVE A REQUIREMENT FOR WOOD SCREENING FENCE ON THE NORTH PROPERTY LINE, TO ALLOW A WOOD FENCE BEHIND A VETERINARY CLINIC AND TO ADD A BUILDING SETBACK REQUIREMENT; PROVIDING FOR SAVINGS, SEVERABILITY, CUMULATIVE EFFECT, PENALTY AND AN EFFECTIVE DATE.**

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

**Section 1.** That Section V(A) “Permitted Uses” contained in Exhibit B to Ordinance No. 09-02-785 shall be and is hereby amended to read in its entirety as follows:

A. Permitted Uses: Only the following uses shall be permitted:

1. Credit Agency
2. Insurance Agency Offices
3. Offices (Brokerage Services)
4. Offices (Health Services)
5. Offices (Legal Services)
6. Offices (Medical Services)
7. Offices (Professional)
8. Real Estate Offices
9. Veterinary Clinic (no outside kennels)

**Section 2.** That Section V (E) “Screening” contained in Exhibit B to Ordinance No. 09-02-785 shall be and is hereby amended to read in its entirety as follows:

E. Screening. A wood screening fence shall be permitted at the rear of a veterinary clinic use.

**Section 3.** That Section V “Specific Regulations” contained in Exhibit B to Ordinance No. 09-02-785 shall be and is hereby amended to add Subsection H “Building Setback” which shall read in its entirety as follows:

H. Building Setback. The minimum building setback from the top of the creek bank shall be 100 feet.

**Section 4.** **Severability Clause.**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect

any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**Section 5. Cumulative/Repealer Clause.**

This ordinance shall be cumulative of all provisions of State or Federal law and other ordinances of the City of Murphy, Texas, whether codified or uncoded, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict.

**Section 6. Penalty Clause.**

Any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to a fine in any sum not to exceed five hundred dollars (\$500.00) and each day of violation shall be deemed a separate offense.

**Section 7. Savings Clause.**

Ordinance No. 09-02-785 shall remain in full force and effect save and except as amended by this ordinance.

**Section 8. Effective Date.**

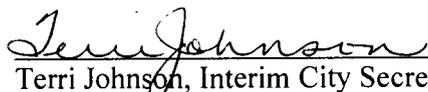
This ordinance shall become effective immediately upon its passage and publication as required by law.

**DULY PASSED, APPROVED AND ADOPTED** by the City Council of the City of Murphy, Texas, on this the 22nd day of April, 2014.



Eric Barna, Mayor  
City of Murphy

ATTEST:

  
Terri Johnson, Interim City Secretary  
City of Murphy

APPROVED AS TO FORM:

\_\_\_\_\_  
Wm. Andrew Messer, City Attorney



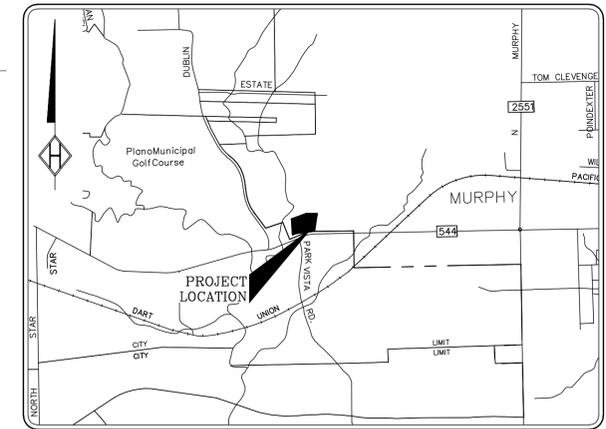
**HOMEYER ENGINEERING, INC.**  
 T.BPE FIRM REGISTRATION NO. F-8440  
 P.O. BOX 294527 • LEWISVILLE, TEXAS • 75029  
 972-906-9985 PHONE • 972-906-9987 FAX  
 WWW.HEI.US.GOV



**LOTS 1 - 3, BLOCK A  
 NELSON ADDITION  
 M. SCOTT SURVEY, ABSTRACT 859  
 CITY OF MURPHY  
 COLLIN COUNTY, TEXAS**

**OVERALL  
 CONCEPT PLAN**

**DRAWN: SRH  
 DATE: 06/20/13  
 HEI #: 13-147 CP  
 SHEET NO:  
 C1**

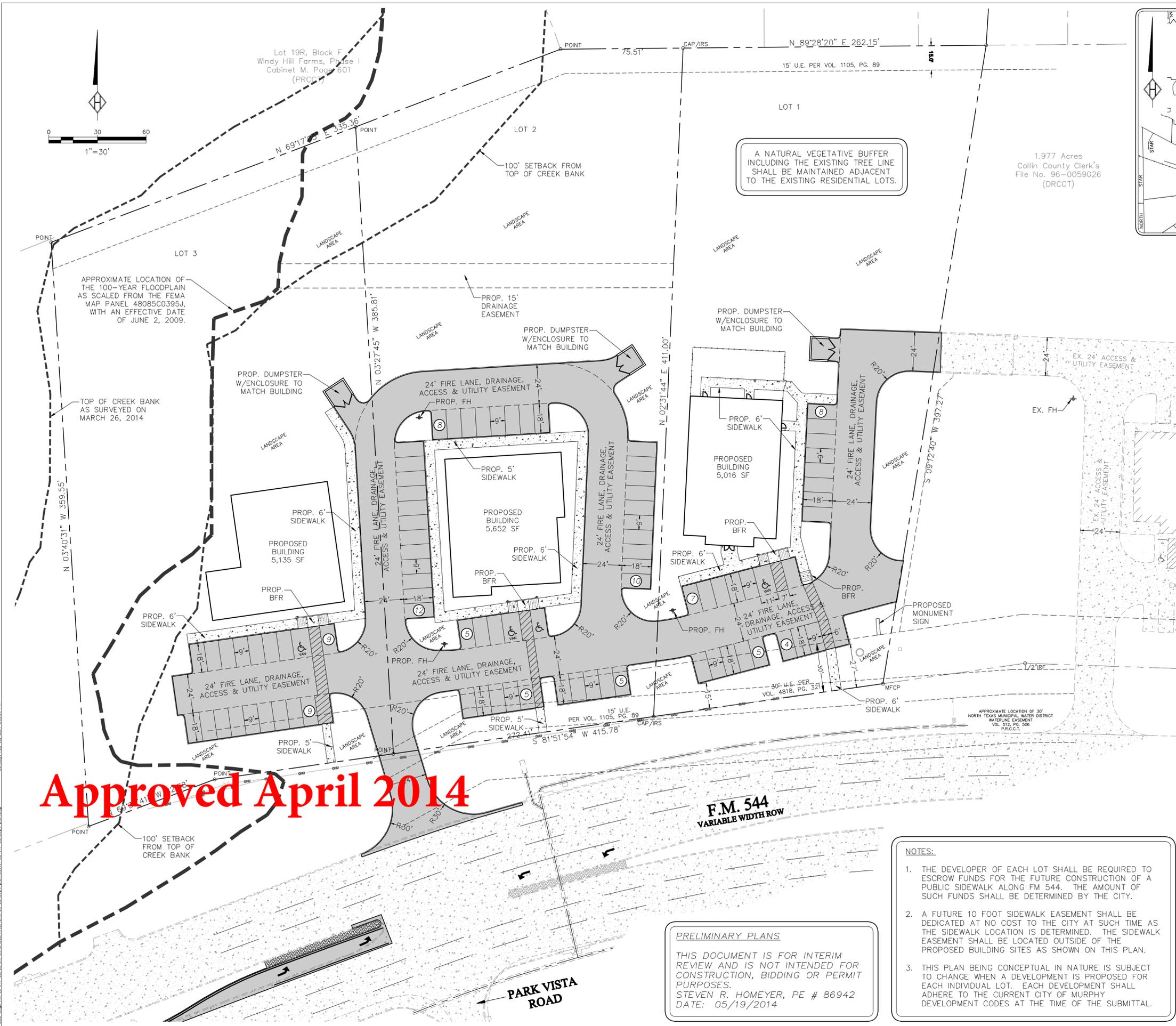


Vicinity Map 1"=2000'

LEGEND	
I.R.F.	IRON ROD FOUND
I.R.S.	IRON ROD SET
"x"	CUT X IN CONCRETE
F.C.P.	FENCE CORNER POST
///	ASPHALT
⊙	TELEPHONE MANHOLE
⊗	POWER POLE
⊙	LIGHT POLE
⊗	WATER VALVE
⊙ <sup>SSMH</sup>	SANITARY SEWER MANHOLE
⊙	FIRE HYDRANT
⊗	WATER METER

SITE INFORMATION	
<b>LOT 1</b>	PROPOSED BUILDING AREA = 5,016 S.F. PARKING REQUIRED: MEDICAL OFFICE 1 SPACE PER 300 S.F. = 17 SPACES PARKING PROVIDED: 24 SPACES HANDICAP PARKING REQUIRED: 1 SPACE HANDICAP PARKING PROVIDED: 1 SPACE
<b>LOT 2</b>	PROPOSED BUILDING AREA = 5,652 S.F. PARKING REQUIRED: MEDICAL OFFICE 1 SPACE PER 300 S.F. = 19 SPACES PARKING PROVIDED: 45 SPACES HANDICAP PARKING REQUIRED: 2 SPACES HANDICAP PARKING PROVIDED: 2 SPACES
<b>LOT 3</b>	PROPOSED BUILDING AREA = 5,135 S.F. PARKING REQUIRED: MEDICAL OFFICE 1 SPACE PER 300 S.F. = 18 SPACES PARKING PROVIDED: 18 SPACES HANDICAP PARKING REQUIRED: 1 SPACE HANDICAP PARKING PROVIDED: 1 SPACE

**LOTS 1 - 3, BLOCK A  
 NELSON ADDITION  
 M. SCOTT SURVEY, ABSTRACT 859  
 CITY OF MURPHY  
 COLLIN COUNTY, TEXAS**



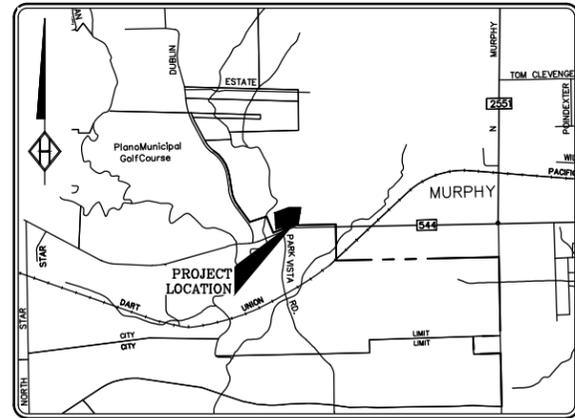
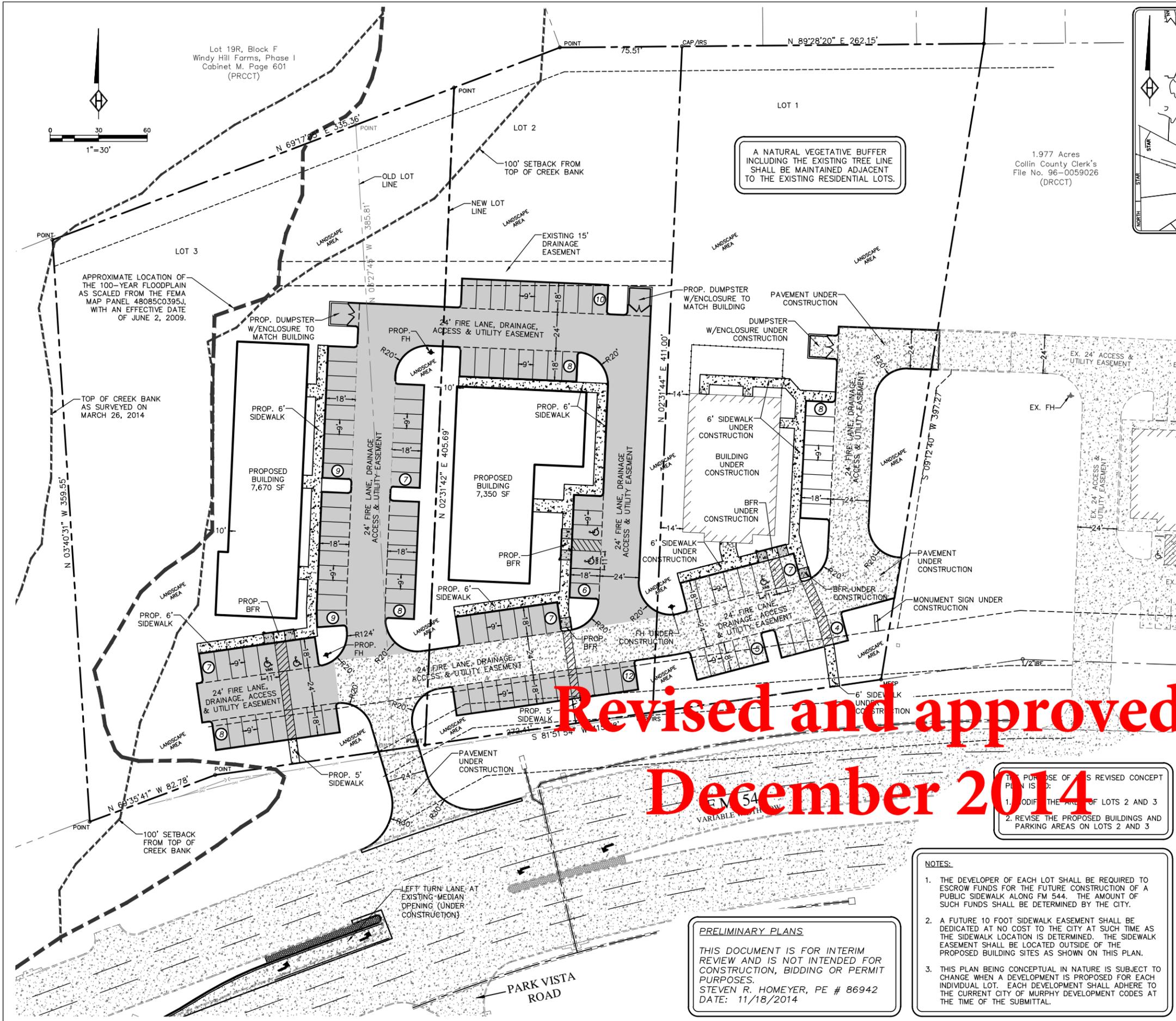
A NATURAL VEGETATIVE BUFFER INCLUDING THE EXISTING TREE LINE SHALL BE MAINTAINED ADJACENT TO THE EXISTING RESIDENTIAL LOTS.

- NOTES:**
- THE DEVELOPER OF EACH LOT SHALL BE REQUIRED TO ESCROW FUNDS FOR THE FUTURE CONSTRUCTION OF A PUBLIC SIDEWALK ALONG FM 544. THE AMOUNT OF SUCH FUNDS SHALL BE DETERMINED BY THE CITY.
  - A FUTURE 10 FOOT SIDEWALK EASEMENT SHALL BE DEDICATED AT NO COST TO THE CITY AT SUCH TIME AS THE SIDEWALK LOCATION IS DETERMINED. THE SIDEWALK EASEMENT SHALL BE LOCATED OUTSIDE OF THE PROPOSED BUILDING SITES AS SHOWN ON THIS PLAN.
  - THIS PLAN BEING CONCEPTUAL IN NATURE IS SUBJECT TO CHANGE WHEN A DEVELOPMENT IS PROPOSED FOR EACH INDIVIDUAL LOT. EACH DEVELOPMENT SHALL ADHERE TO THE CURRENT CITY OF MURPHY DEVELOPMENT CODES AT THE TIME OF THE SUBMITTAL.

**PRELIMINARY PLANS**  
 THIS DOCUMENT IS FOR INTERIM REVIEW AND IS NOT INTENDED FOR CONSTRUCTION, BIDDING OR PERMIT PURPOSES.  
 STEVEN R. HOMEYER, PE # 86942  
 DATE: 05/19/2014

**Approved April 2014**

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Vicinity Map 1"=2000'

**LEGEND**

I.R.F.	IRON ROD FOUND	⊗	POWER POLE
I.R.S.	IRON ROD SET	⊙	LIGHT POLE
X	CUT X IN CONCRETE	⊗	WATER VALVE
F.C.P.	FENCE CORNER POST	⊙	SEWER MANHOLE
///	ASPHALT	⊗	FIRE HYDRANT
⊙	TELEPHONE MANHOLE	⊗	WATER METER

**SITE INFORMATION**

<b>LOT 1</b>
BUILDING AREA = 5,016 S.F.
PARKING REQUIRED:
GENERAL OFFICE = 5,016 S.F.
1 SPACE PER 300 S.F. = 17 SPACES
PARKING PROVIDED: 24 SPACES
HANDICAP PARKING REQUIRED: 1 SPACE
HANDICAP PARKING PROVIDED: 1 SPACE
<b>LOT 2</b>
PROPOSED BUILDING AREA = 7,350 S.F.
PARKING REQUIRED:
MEDICAL OFFICE = 5,550 S.F.
1 SPACE PER 150 S.F. = 37 SPACES
GENERAL OFFICE = 1,800 S.F.
1 SPACE PER 300 S.F. = 6 SPACES
PARKING REQUIRED: 43 SPACES
PARKING PROVIDED: 43 SPACES
HANDICAP PARKING REQUIRED: 2 SPACES
HANDICAP PARKING PROVIDED: 2 SPACES
<b>LOT 3</b>
PROPOSED BUILDING AREA = 7,670 S.F.
PARKING REQUIRED:
MEDICAL OFFICE = 3,835 S.F.
1 SPACE PER 150 S.F. = 26 SPACES
GENERAL OFFICE = 3,835 S.F.
1 SPACE PER 300 S.F. = 13 SPACES
PARKING REQUIRED: 39 SPACES
PARKING PROVIDED: 48 SPACES
HANDICAP PARKING REQUIRED: 2 SPACES
HANDICAP PARKING PROVIDED: 2 SPACES

- THE PURPOSE OF THIS REVISED CONCEPT PLAN IS TO:
1. MODIFY THE AREA OF LOTS 2 AND 3
  2. REVISE THE PROPOSED BUILDINGS AND PARKING AREAS ON LOTS 2 AND 3

- NOTES:**
1. THE DEVELOPER OF EACH LOT SHALL BE REQUIRED TO ESCROW FUNDS FOR THE FUTURE CONSTRUCTION OF A PUBLIC SIDEWALK ALONG FM 544. THE AMOUNT OF SUCH FUNDS SHALL BE DETERMINED BY THE CITY.
  2. A FUTURE 10 FOOT SIDEWALK EASEMENT SHALL BE DEDICATED AT NO COST TO THE CITY AT SUCH TIME AS THE SIDEWALK LOCATION IS DETERMINED. THE SIDEWALK EASEMENT SHALL BE LOCATED OUTSIDE OF THE PROPOSED BUILDING SITES AS SHOWN ON THIS PLAN.
  3. THIS PLAN BEING CONCEPTUAL IN NATURE IS SUBJECT TO CHANGE WHEN A DEVELOPMENT IS PROPOSED FOR EACH INDIVIDUAL LOT. EACH DEVELOPMENT SHALL ADHERE TO THE CURRENT CITY OF MURPHY DEVELOPMENT CODES AT THE TIME OF THE SUBMITTAL.

**PRELIMINARY PLANS**

THIS DOCUMENT IS FOR INTERIM REVIEW AND IS NOT INTENDED FOR CONSTRUCTION, BIDDING OR PERMIT PURPOSES.

STEVEN R. HOMEYER, PE # 86942  
DATE: 11/18/2014

**LOTS 1 - 3, BLOCK A  
NELSON ADDITION  
M. SCOTT SURVEY, ABSTRACT 859  
CITY OF MURPHY  
COLLIN COUNTY, TEXAS**

**HOMEYER ENGINEERING, INC.**  
ENGINEERING REGISTRATION NO. F-8440  
T.B.P.E. FIRM REGISTRATION NO. F-8440  
P.O. BOX 294527 • LEWISVILLE, TEXAS • 75029  
972-906-9995 PHONE • 972-906-9987 FAX  
WWW.HEI.US.COM



**LOTS 1 - 3, BLOCK A  
NELSON ADDITION  
M. SCOTT SURVEY, ABSTRACT 859  
CITY OF MURPHY  
COLLIN COUNTY, TEXAS**

**OVERALL  
CONCEPT PLAN**

DRAWN: SRH  
DATE: 06/20/14  
HEI #: 14-137 CP  
**SHEET NO:**  
C1

Reply Form

Planning & Zoning Commission/City Council  
206 North Murphy Road  
Murphy, Texas 75094



This letter is regarding a request to revise a previously approved Concept Plan revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition, by combining the north and south fire lanes into one resulting in the pavement being built approximately 65 ft. further north than shown on the previous concept plan. The overall building square footage shown on the revised concept plan is proposed to reduce by approximately 1100 sq. ft. than the previous concept plan. This property is located on FM 544 approximately 800' west of Heritage Parkway.

         I am **IN FAVOR** of the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

I am **OPPOSED** to the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

This item will be heard at the Planning & Zoning Commission on Monday, December 28, 2015 at 6:00 p.m. and by City Council on Tuesday, January 5, 2016, at 6:00 p.m. at Murphy City Hall, in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

*We did not pay premium prices for our lots along the creek to enable the City Council and developers to encroach on our views and privacy - NO TO REVISION!!*

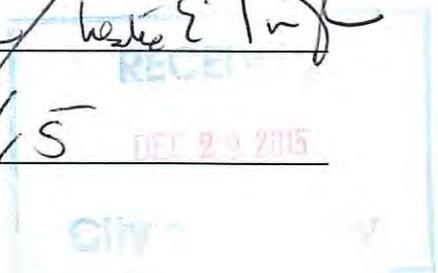
By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

*DIANE TINGLE / LESLIE TINGLE*  
Name (Please Print)

*Diane Tingle / Leslie Tingle*  
Signature

*124 Collier Ct  
Murphy 75094*  
Address

*12/26/15*  
Date



### Reply Form

Planning & Zoning Commission/City Council  
206 North Murphy Road  
Murphy, Texas 75094



This letter is regarding a request to revise a previously approved Concept Plan revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition, by combining the north and south fire lanes into one resulting in the pavement being built approximately 65 ft. further north than shown on the previous concept plan. The overall building square footage shown on the revised concept plan is proposed to reduce by approximately 1100 sq. ft. than the previous concept plan. This property is located on FM 544 approximately 800' west of Heritage Parkway.

       I am **IN FAVOR** of the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

I am **OPPOSED** to the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

This item will be heard at the **Planning & Zoning Commission on Monday, December 28, 2015 at 6:00 p.m.** and by **City Council on Tuesday, January 5, 2016, at 6:00 p.m.** at Murphy City Hall, in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

*It will destroy our view. Will cause more light pollution.  
Will destroy several very old and large trees. Not  
to mention the City Council said during the discussion of  
the Vet Clinic they said nothing would be built in that  
area.*

By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

DWIGHT JOHNSON  
Name (Please Print)

[Signature]  
Signature

128 Collin Ct.  
Address

12/23/2015  
Date

Reply Form

Planning & Zoning Commission/City Council  
206 North Murphy Road  
Murphy, Texas 75094



This letter is regarding a request to revise a previously approved Concept Plan revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition, by combining the north and south fire lanes into one resulting in the pavement being built approximately 65 ft. further north than shown on the previous concept plan. The overall building square footage shown on the revised concept plan is proposed to reduce by approximately 1100 sq. ft. than the previous concept plan. This property is located on FM 544 approximately 800' west of Heritage Parkway.

I am **IN FAVOR** of the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

I am **OPPOSED** to the request to revise a previously approved Concept Plan for Lots 2-3, Block A, Nelson Addition.

This item will be heard at the **Planning & Zoning Commission on Monday, December 28, 2015 at 6:00 p.m.** and by **City Council on Tuesday, January 5, 2016, at 6:00 p.m.** at Murphy City Hall, in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

*This is a much better plan.*

By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

Lloyd M. Nelson  
Name (Please Print)

Lloyd M Nelson  
Signature

7087 Shire Ln.  
Address McKinney 75071

Dec. 23, 2015  
Date

**City Council**  
**January 5, 2016**

---

**Issue**

Hold a public hearing and consider and/or act on the application of Ryan Betz of 4B & W Land, LLC., Ronald and Patricia Williford and Kevin McAllister requesting a change in zoning from SF- 20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road. **This public hearing will be continued until February 2, 2016.**

**Summary**

These properties are located with FM 544 to the north, and neighbor SF-20 to the west and south with the recently approved Planned Development District to the north east.

These properties, in addition to the southeast sector of Murphy, were recently studied and conceptually designed by the professional planning firm of Freese & Nichols as commissioned by the City of Murphy. Retail Uses along FM 544 were discussed. No action was taken by City Council on that study.

Since that time, three property owners have come together to apply for rezoning consideration.

**Public Notice**

A public hearing notification for this proposed zoning change request was published in the newspaper as well as notification being mailed to the property owners included in the required 200 feet notification radius.

- a. Any reply forms received after this packet will be submitted to the Council at the scheduled meeting.

**Board Discussion / Action**

On December 28, 2015, the Planning & Zoning Commission had a lengthy discussion about various options; however, they voted to deny the zoning request by a vote of 6-0.

**Recommendation**

Approve requested zoning change from SF-20 to Retail Zoning. This zoning change does not approve any site use details other than Retail District zoning.

**Attachments**

Exhibit A – Property Location aerial

Exhibit B – Proposed properties for rezoning

Exhibit C – Boundary map identifying required mail out location

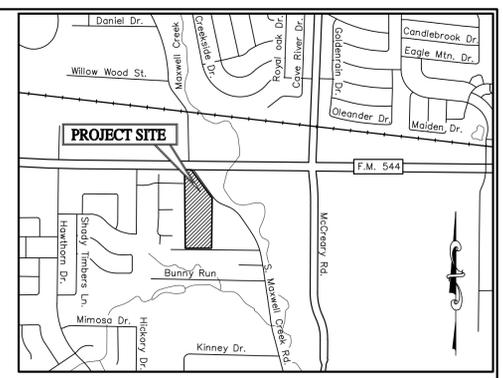
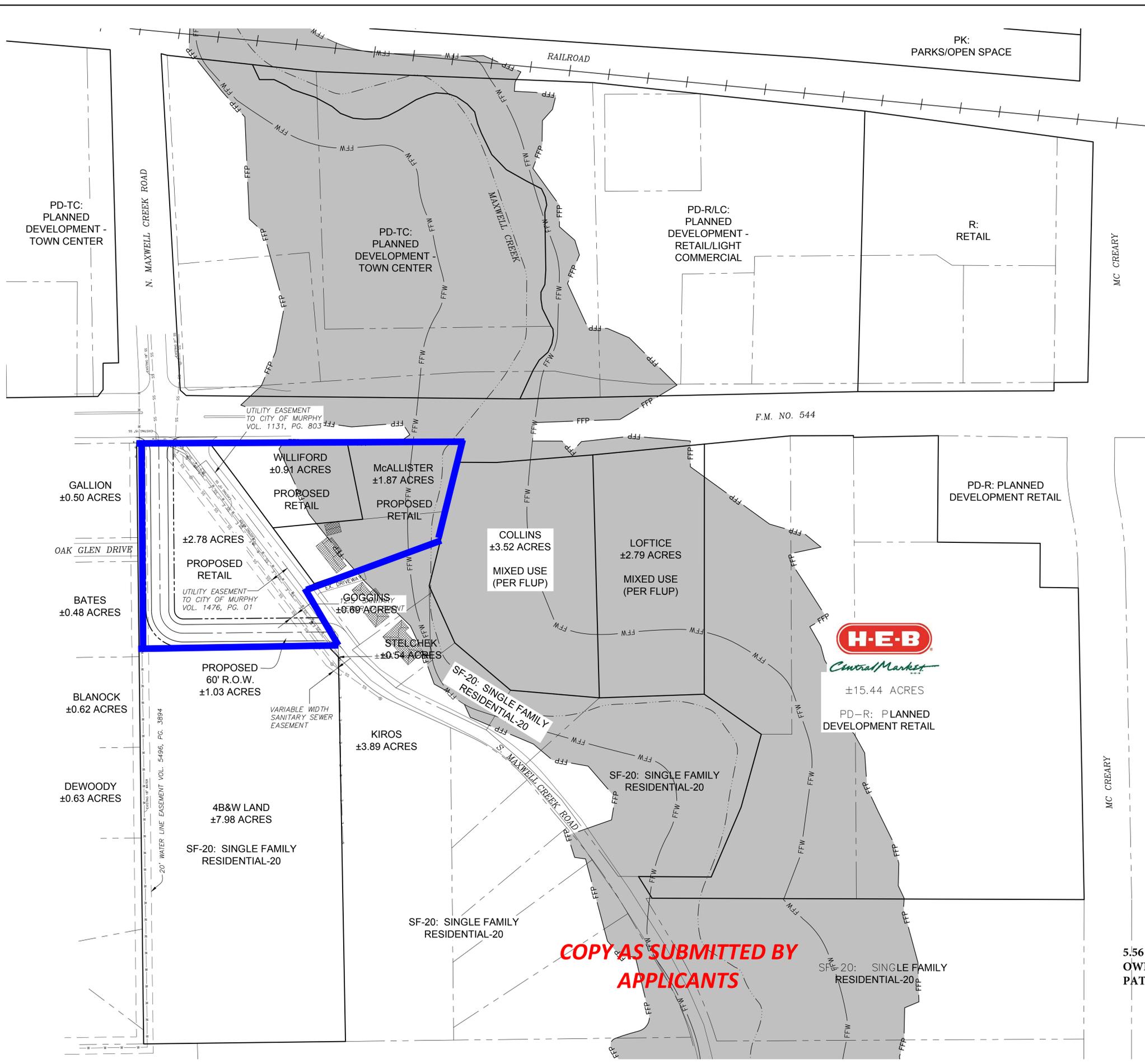
Exhibit D – Reply Forms received at time of packet

# Exhibit A

## Property Location aerial

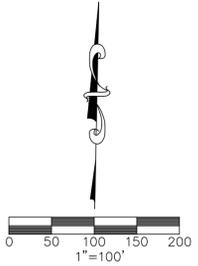


Exhibit B  
Proposed  
properties for  
rezoning



LOCATION MAP

NOT TO SCALE



LEGEND

- EXISTING STRUCTURES
- FFP 100-YR FLOODPLAIN LINE (FIRM)
- PROPERTY BOUNDARY
- ZONING / LAND USE BOUNDARY
- PROPOSED R.O.W. LINE
- EXISTING EASEMENT
- 100-YR FLOODPLAIN LINE (FIRM)
- FFW FLOODWAY LINE (FIRM)
- EXISTING CREEK CENTERLINE (FIRM)
- EXISTING WATER LINE
- EXISTING SANITARY SEWER
- EXISTING ELECTRIC LINE
- EXISTING FIRE HYDRANT
- EXISTING WATER VALVE
- EXISTING MANHOLE
- EXISTING UTILITY POLE
- EXISTING TELEPHONE PEDESTAL
- EXISTING GUY WIRE

NOTES

1. ALL EXISTING UTILITIES WITHIN THE EXISTING SOUTH MAXWELL CREEK RIGHT-OF-WAY TO BE RELOCATED IN THE PROPOSED SOUTH MAXWELL CREEK RIGHT-OF-WAY.
2. THE 100-YR FLOODPLAIN LINE, FLOODWAY LINE AND EXISTING CREEK CENTERLINE, SHOWN ON THIS MAP, ARE AS SCALED FROM FEMA FIRM MAP NO. 48085C0415J, DATED JUNE 2, 2009.

A ZONING / LAND USE EXHIBIT FOR

FM 544 RETAIL

5.56 ACRES OF PROPOSED RETAIL(R) ZONING OWNERS/APPLICANTS: KEVIN MCALLISTER, RON & PATRICIA WILLFORD, & 4B&W LAND, LLC

FM 544 @ S. MAXWELL CREEK RD., MURPHY, COLLIN COUNTY, TEXAS.

FILE NO: 14005

DATE: 11/13/2015

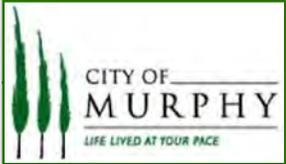
SHEET: RE1

COPY AS SUBMITTED BY APPLICANTS

SF-9/SF-11/SF-15: SINGLE FAMILY RESIDENTIAL-9/11/15

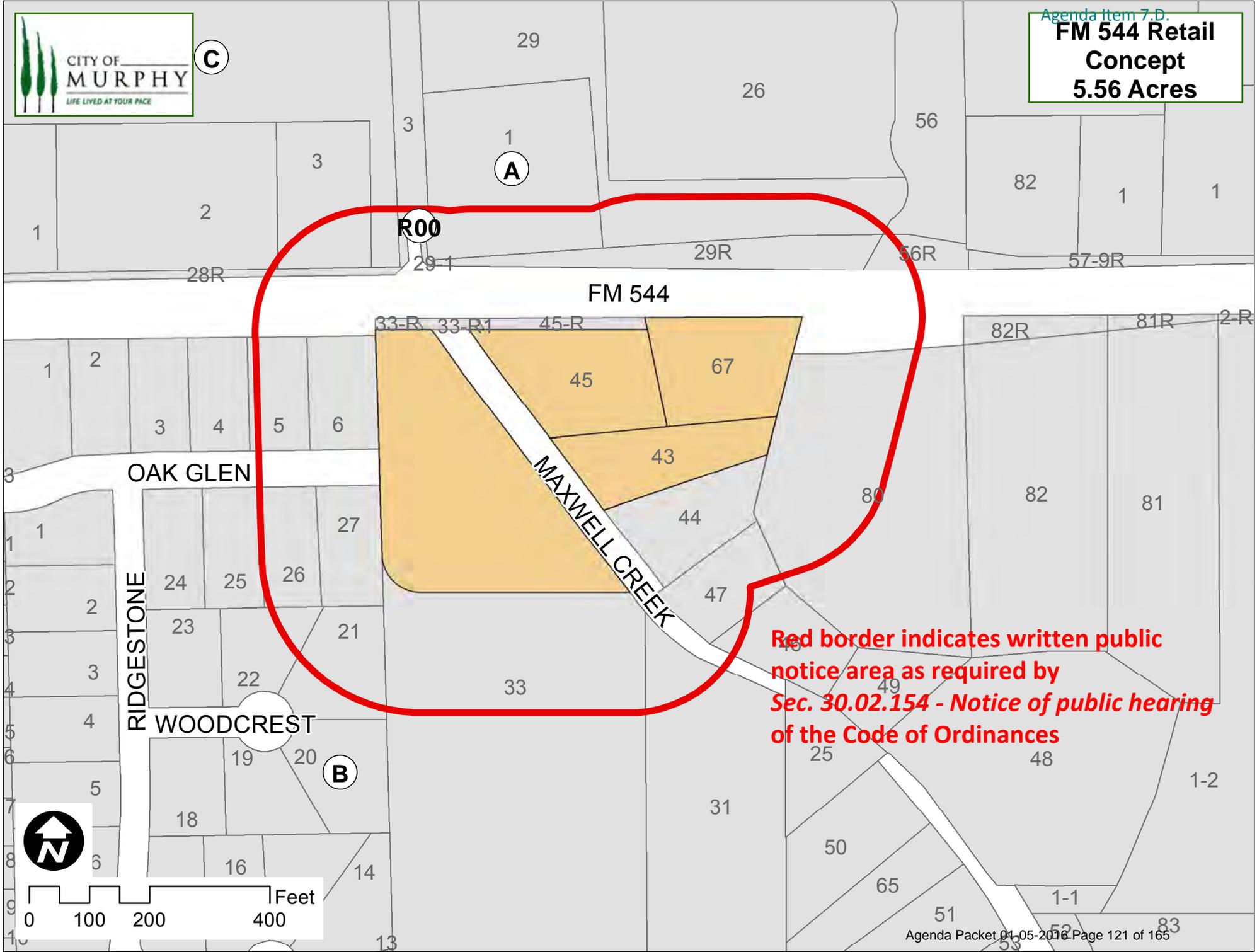
# Exhibit C

Boundary map  
identifying required  
mail out location



C

Agenda Item 7.D.  
**FM 544 Retail  
Concept  
5.56 Acres**

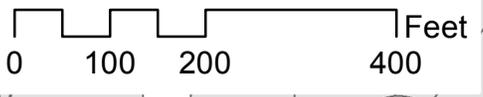


R00

A

B

**Red border indicates written public notice area as required by Sec. 30.02.154 - Notice of public hearing of the Code of Ordinances**



## Exhibit D

Reply Forms received at  
time of packet

### Reply Form

Planning & Zoning Commission/City Council  
206 North Murphy Road  
Murphy, Texas 75094



This letter is regarding a request in a change in zoning from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

         I am **IN FAVOR** of the request to a zoning change from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

I am **OPPOSED** to the request to a zoning change from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

This item will be heard at the **Planning & Zoning Commission on Monday, December 28, 2015 at 6:00 p.m.** and by **City Council on Tuesday, January 5, 2016, at 6:00 p.m.** at Murphy City Hall, in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

*I do not want a zoning change!  
It should stay SF-20 and only SF-20  
I am extremely against Retail!  
we already have more than enough retail  
and all that goes with it. Noise, Traffic,  
Pollution, & rodents. My answer is  
No! will always be No! I did not move  
to Murphy for this! Please Do Not Change it.*

By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

David Cole  
Name (Please Print)

[Signature]  
Signature

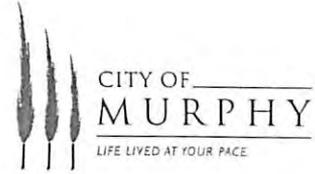
420 Oak Glen Dr.  
Address

12/17/15  
Date

DEC 20 2015

### Reply Form

Planning & Zoning Commission/City Council  
206 North Murphy Road  
Murphy, Texas 75094



This letter is regarding a request in a change in zoning from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

         I am **IN FAVOR** of the request to a zoning change from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

I am **OPPOSED** to the request to a zoning change from SF-20 (Single Family 20 Residential) to Retail on approximately 5.56 acres of property located southeast of FM 544 and Maxwell Creek Road.

This item will be heard at the **Planning & Zoning Commission on Monday, December 28, 2015 at 6:00 p.m.** and by **City Council on Tuesday, January 5, 2016, at 6:00 p.m.** at Murphy City Hall, in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

*As a property owner that is directly adjoining the property at question, I am tired of the continued attempts to profit by a few individuals at the expense of our community. The proposed change amounts to robbery, taking money from me and my family - in the form of my property value loss, without my approval. The greed and avarice is unbelievable and the owners requesting the change, especially Ryan at 4B & W Land, should be ashamed and chastised for the continued nuisance they present.*

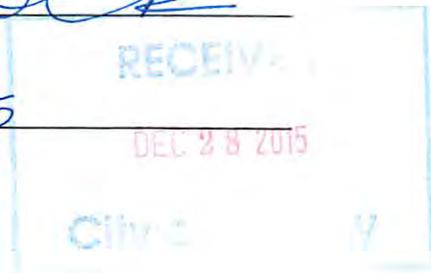
By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

Greg Blanock  
Name (Please Print)

*Greg Blanock*  
Signature

419 Woodcrest Cir Murphy Tx  
Address

12/28/15  
Date



**Lori C. Knight**

---

**From:** Kristen Roberts  
**Sent:** Monday, December 28, 2015 3:55 PM  
**To:** Stephanie Pennington  
**Cc:** Jodie; Lori C. Knight  
**Subject:** RE. Zoning Change Request - S Maxwell Creek Rd

Good afternoon,  
I am in receipt of your email and the Commissioner's will have copies of it at their places this evening.  
Thank you,  
Kristen

Kristen M. Roberts, Director of Community and Economic Development  
(972) 468-4006: direct  
[kroberts@murphytx.org](mailto:kroberts@murphytx.org)  
206 N Murphy Rd  
Murphy, TX 75094  
murphytx.org

The information contained in this email is considered CONFIDENTIAL according to the Texas Government Code, Sec. 552.131. EXCEPTION: ECONOMIC DEVELOPMENT INFORMATION. The information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copy, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this transmission in error, please immediately notify us by telephone to arrange for the return of the document.

-----Original Message-----

**From:** Stephanie Pennington [<mailto:sjp1109@msn.com>]  
**Sent:** Monday, December 28, 2015 3:46 PM  
**To:** Kristen Roberts  
**Cc:** Jodie  
**Subject:** Zoning Change Request - S Maxwell Creek Rd

Kristen,

I apologize for the late reply, but we were on vacation during the holidays when the paperwork was received. I meant to bring it with me today, but left it at home.

Please share this e-mail with the commission in lieu of the official reply form. We are opposed to this request. During the recent meetings with the moratorium the Council heard our concerns and in the last meeting before the town hall meeting they wanted this area to remain SF 20, with the option of SF 15 on interior lots. This was is direct response to the wishes of most residents impacted. Nothing has changed from a month ago...this area should not be rezoned to anything other than single family!

Please confirm receipt of this e-mail.

Best,  
Stephanie & Jodie Pennington  
120 S Maxwell Creek Rd

**City Council**  
**January 5, 2016**

---

**Issue**

Consider and/or act upon the recommendations from the Council Interview Panel regarding appointing board members to the Murphy Municipal Development District.

**Staff Resource/Department**

Susie Quinn, City Secretary

**Background/History**

Mayor Pro Tem Scott Bradley, Deputy Mayor Pro Tem Owais Siddiqui, and Councilmember Betty Spraggins volunteered to serve as the Council Interview Panel. Interviews were conducted on November 5<sup>th</sup>, November 10<sup>th</sup>, November 11<sup>th</sup>, November 16<sup>th</sup>, and November 19<sup>th</sup>, 2015.

Pursuant to City Charter, Article VIII, Section 8.01 Authority, Composition and Procedures:

(1) The City Council shall create, establish or appoint, as may be required by the laws of the State of Texas or this Charter, or deemed desirable by the City Council, such boards, commissions and committees as it deems necessary to carry out the functions and obligations of the City. The City Council shall, by ordinance or resolution, prescribe the purpose, composition, function, duties, accountability and tenure of each board, commission and committee where such are not prescribed by law or this Charter.

(2) Individuals who are qualified voters in the City may be appointed by the City Council to serve on one (1) or more boards, commissions or committees. Such appointees shall serve at the pleasure of the City Council and may be removed at the discretion of the City Council, except for the members of the Board of Adjustment, who may be removed only for cause. Except as otherwise provided in this Charter, members of any such board, commission or committee shall serve without compensation, but may be reimbursed for actual expenses as approved by the City Council.

(3) All boards, commissions or committees of the City shall, at the discretion of the City Council, keep and maintain minutes of any proceedings held.

(4) No officer or employee of the City nor any person who holds a compensated appointive position with the City shall be a member of any board, commission or committee created or established by state law or this Charter other than in an advisory and/or ex officio capacity except as allowed by state law.

(5) Any member of a board, commission or committee who is absent from three (3) consecutive regular meetings, or twenty-five percent (25%) of regularly scheduled meetings during the twelve (12)-month period immediately preceding and including the absence in question, without explanation acceptable to a majority of the other members, shall be deemed to have forfeited his or her position on the board, commission or committee.

**Attachments**

Board and Commission Listing

P L A C E	MURPHY MUNICIPAL DEVELOPMENT DISTRICT BOARD - BOARD MEMBER NAME	ORIGINAL APPOINTMENT DATE	CURRENT APPOINTMENT DATE	CURRENT TERM	APPOINT
	John Daugherty	9/17/2013	1/1/2014		
2	Jamie Nicholson	12/11/2012	1/1/2015	2015-2016	Completing term
3	Alex Acuña	12/10/2013	1/1/2014		
4	Alain Dermarker	12/11/2012	1/1/2015	2015-2016	Completing term
	Eric Lopez	12/10/2013	1/1/2014		
1				2016-2017	
5				2016-2017	
Reapplied for current or different board - Interviewed with Council panel					
Seat is open for new appointment					

**City Council Meeting**  
**January 5, 2016**

---

**Issue**

Consider and take appropriate action, if any, on the Interlocal Agreement between the City of Murphy and the Texoma Area Paratransit System, Inc. for demand-response transit services.

**Staff Resource/Department**

James Fisher, City Manager

**Summary**

The City of Murphy entered in to this Agreement on January 6<sup>th</sup>, 2015. The City has received good service from TAPS since the Agreement was initiated last year. However, over the last six months or so, TAPS has been involved in some internal challenges that has caused some major management and operational shake-ups.

The City received the following email from Tim Patton, Interim CEO and Executive Director:

*As you know, TAPS has been experiencing a severe financial crisis for some time. I was asked to take on the role of Interim CEO in September and have been working to reduce expenses in order to salvage some part of the company.*

*Our board moved to reduce service to medical trips only on November 13th and due to a shortage of drivers we have not been able to keep up with that. Frisco, McKinney and Allen have all given notice to terminate TAPS contracts and seek other alternatives. I am advising you to do the same if you have not already done so.*

*I would be glad to answer any questions you have. Please contact me any time.*

*Sincerely,*

*Tim Patton  
Interim CEO and Executive Director  
TAPS Public Transit*

**Action Requested**

Terminate the Agreement pursuant to Section 2.2, Termination, effective January 15, 2016.

**Attachments**

- Agreement
- Various emails/news stories about TAPS

**INTERLOCAL AGREEMENT  
BETWEEN  
THE CITY OF MURPHY, TEXAS  
AND  
TEXOMA AREA PARATRANSIT SYSTEM, INC.  
FOR  
DEMAND-RESPONSE TRANSIT SERVICES**

The City of Murphy, Texas (“City”), a home rule municipality and local governmental entity, and Texoma Area Paratransit System, Inc. (“TAPS”), a rural transit district and political subdivision of the State of Texas, hereby enter into this Interlocal Agreement as of the Effective Date for the provision of demand-response transit services. City and TAPS may be referred to jointly herein as the “Parties,” and individually as a “Party.”

**RECITALS**

**WHEREAS**, City is a home rule municipality and local governmental entity located within Collin County, Texas; and

**WHEREAS**, TAPS is a rural transit district established pursuant to the authority of Chapter 458, Texas Transportation Code, as amended, that provides transit services within the State of Texas in the counties of Clay, Collin, Cooke, Fannin, Grayson, Montague, and Wise; and

**WHEREAS**, City seeks to provide demand-response transit services between for eligible citizens who reside within the City’s incorporated limits; and

**WHEREAS**, City has requested transit services from TAPS, and TAPS agrees to provide the requested demand-response transit services pursuant to this Agreement; and

**WHEREAS**, the Parties acknowledge and find that it will increase the efficiency and effectiveness of their respective entities by entering into an interlocal cooperation agreement pursuant to Chapter 791 of the Texas Government Code, as amended (also known as the “Interlocal Cooperation Act” (“the Act”)); and

**WHEREAS**, the Parties acknowledge and find that it will be in their best interests and in the interest of the public to cooperate in the provision of demand-response transit services as set forth in this Agreement.

**NOW, THEREFORE**, the Parties hereby make and enter into this Agreement for and in mutual consideration of the covenants and agreements set forth herein.

**Article 1.**

1.1 Purpose: Pursuant to Section 791.011 of the Act, City and TAPS are local governmental entities and enter into the Agreement for the purpose of providing services in which the Parties are mutually interested and with each Party performing services it would be authorized to perform individually.

1.2 Consideration: City and TAPS agree there is good and valuable consideration for entering into this Agreement, the receipt and sufficiency of which is acknowledged.

1.3 TAPS Responsibilities: TAPS shall provide services related to the administration and operation of demand-response transit services (the “Transit Services”), as follows.

a. Approved Services, Dates and Times of Service: TAPS agrees to provide Transit Services for eligible citizens who reside within the City’s incorporated limits. The Transit Services shall be curb-to-curb. “Eligible citizens” shall mean individuals (over 60 years of age) and/or disabled individuals who reside within Murphy’s incorporated limits and who are eligible to receive and utilize the Transit Services. An individual’s eligibility to receive and utilize these transit services will be determined by TAPS. TAPS shall provide these transit services on every weekday (Monday through Friday) for the term set forth in Section 2.1 of this Agreement, excluding those weekdays on which New Year’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, and Christmas Day fall.

b. Administrative and Operational Services: TAPS shall provide all administrative and operational services associated with the Transit Services including, but not limited to, employment and management of necessary and sufficient personnel, and management of dispatch and call center operations reasonable and necessary to provide the Transit Services.

c. Vehicles: TAPS shall provide the number of vehicles as may be necessary to provide the Transit Services.

d. Americans with Disabilities Act: TAPS acknowledges and understands that it is responsible for compliance with, and agrees to comply with, the requirements of the Americans with Disabilities Act, as amended, in providing the Transit Services.

e. Implementing Regulations: To the extent applicable, City and TAPS acknowledge that TAPS is a governmental entity of the State of Texas and that, upon the inability of TAPS to obtain or appropriate finances to meet its obligations under this Agreement, TAPS shall have the right to terminate this Agreement as of the effective date of such lack of fiscal funding. TAPS shall give notice to City as to any such failure of funding at the earliest possible time, but in any case not later than five (5) business days after TAPS becomes knowledgeable of said lack of funding.

1.4 City Responsibilities: City agrees to reasonably cooperate with TAPS so that TAPS may effectuate and fulfill the terms of this Agreement. City's responsibilities in this regard shall include:

a. Payment for Services: City agrees to pay TAPS for the Transit Services a sum not to exceed Six Thousand Two Hundred and 00 /100 Dollars (\$6200.00). Total payment for services shall be for reasonable and customary expenses related to providing the Transit Services including, but not necessarily limited to, associated administrative and operational services.

b. Current Revenues: To the extent applicable, City and TAPS acknowledge that City will make payment of the aforementioned sums from current revenues. City further agrees to make all appropriations reasonable and necessary to effectuate the terms of, and its responsibilities under, this Agreement. However, the Parties recognize that the continuation of this Agreement after the close of any given fiscal year of City, which closes on September 30<sup>th</sup> of each calendar year, shall be subject to approval by the City Council. This Agreement cannot be an unfunded liability of City in violation of the Texas Constitution's unfunded debt prohibition applicable to home-rule cities. The Parties agree that this Agreement may be terminated by City, without any penalty or liability to City, except for monies owed TAPS for services it has provided pursuant to this Agreement, in the event the City Council fails to approve or appropriate funds for any continuation period of this Agreement.

1.5 Terms of Payment for Services:

a. TAPS: Not later than ten (10) days after the end of each calendar month of the term of this Agreement, TAPS will submit to City an invoice for services provided. Each invoice shall identify the period for which the payment is being requested and the services performed during that period. At City's written request, TAPS shall provide City with all supporting receipts or other supporting documentation in connection with one or more specific invoices.

b. City: City shall pay TAPS within thirty (30) days of receipt of each monthly invoice, unless supporting receipts or other supporting documentation have been requested by City, in which case City shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case City shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. City shall otherwise ensure that TAPS receives payment as set forth herein; otherwise, TAPS may suspend service until it receives payment of an overdue sum.

## Article 2.

2.1 Term: This Agreement shall be for a period of thirty-six (36) months beginning on August 5, 2014 ("the Effective Date") and terminating on August 5, 2017 ("the Termination Date"), unless terminated earlier by either City or TAPS in accordance with the terms of this

## 2.2 Termination:

a. This Agreement may be terminated prior to the Termination Date as follows:

(1) The Parties may terminate this Agreement by a written agreement signed by both Parties setting forth the agreed termination date;

(2) Either Party may terminate this Agreement with or without cause by providing written notice to the other Party not less than sixty (60) days prior to the desired termination date; or

(3) Either Party may terminate this Agreement on the thirty-first (31st) day after providing written notice to the other Party that the other Party is in breach of its obligations under this Agreement, which notice shall describe the alleged breach with reasonable particularity, and the Party receiving the notice has failed to cure the alleged breach. TAPS expressly reserves its rights to seek payment for any services that it may provide prior to the effective date of a termination under this Section 2.2.a.

b. Section 2.2.a does not alter Section 1.3.e or Section 2.3 of this Agreement.

2.3 Regulatory Change: If there is a change in state or federal regulation(s) that affects or impairs either Party's ability to perform this Agreement, the Parties may renegotiate the terms of this Agreement so the affected Party can comply with the change. The affected Party shall provide the other Party with written notice of the applicable regulatory change within five (5) days after the affected Party determines the change will affect or impair its ability to perform this Agreement. Should a Party choose not to renegotiate, or should the regulatory change make it impossible for the affected Party to perform this Agreement, that Party may terminate this Agreement by providing fourteen (14) days' written notice to the other Party. Termination shall be effective on the fourteenth (14th) day after the day on which the notice is provided. TAPS expressly reserves its rights to seek payment for any services that it may provide prior to the effective date of a termination under this Section 2.3.

2.4 Rescinding Termination: A Party that provides written notice of termination pursuant to Section 2.2.a(2), Section 2.2.a(3), or Section 2.3 may rescind same by providing written notice to the other Party on or prior to the effective date of the termination, in which event this Agreement shall remain in full force and effect as if the notice of termination had never been given. A written agreement of termination pursuant to Section 2.2.a(1) may be rescinded by written agreement signed by both Parties prior to the effective date of the termination, in which event this Agreement shall remain in full force and effect.

## Article 3.

3.1 Force Majeure: Neither City nor TAPS shall be deemed in violation of this Agreement if either is prevented from performing any of the obligations hereunder by reason of, for or through strikes, act of terror, stoppage of labor, riot, fire, flood, storm, invasion, insurrection, accident, order of court, judge or civil authority, an act of God, or any cause reasonably beyond the Party's control and not attributable to its neglect. In the event of such an occurrence, the time for

performance of such obligations or duty shall be suspended until such time that ~~urgency to~~ <sup>ability to</sup> perform, for which the Party is not responsible, or circumstance beyond its control, shall be removed. The Party claiming the suspension shall give notice of such impediment or delay in performance to the other Party within two (2) days of the knowledge of such occurrence. Each Party shall make all reasonable efforts to mitigate the effects of any suspension.

3.2 Special and Consequential Damages: In no event, whether as a result of breach of contract, warranty, tort (including negligence or infringement), strict liability or otherwise, shall either Party be liable to the other Party for any special, consequential, incidental, indirect or exemplary damages including, but not limited to, loss of profits or revenues, cost of capital, cost of substitute goods, facilities, services or downtime costs.

#### **Article 4.**

4.1 Entire Agreement: This Agreement contains all representations, understandings, contracts and agreements between the Parties regarding the subject matter of this Agreement. This Agreement supersedes all oral or written previous and contemporaneous agreements, writings, understandings, representations, or contracts between the Parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the Parties prior to this Agreement which does not regard the subject matter of this Agreement.

4.2 Parties Bound: This Agreement shall be binding upon, and inure to the benefit of, the Parties to this Agreement and their respective successors and assigns.

4.3 Relationship: It is understood and agreed that the relationship between the Parties described in this Agreement is contractual in nature between independent Parties and does not constitute, and shall not be construed, as creating a partnership or joint venture relationship between or among the Parties. By entering into this Agreement, the Parties do not create any obligations, express or implied, other than those set forth herein, and this Agreement shall not create any rights in any individual or entity that is not a signatory hereto.

4.4 Amendment: The Parties may revise, amend or modify this Agreement only by written agreement signed by both Parties.

4.5 Severability: The provisions in this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation having the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

#### **Article 5.**

5.1 Notice: All notices, authorizations and requests in connection with this Agreement shall be deemed provided on the day they are (i) deposited in the mail, postage prepaid, certified or registered, return receipt requested; (ii) delivered by courier; or (iii) sent by facsimile as indicated by a fax confirmation sheet; and sent to the address or facsimile number of each party's agent as follows:

If to City:

City of Murphy, Texas  
Attn: City Manager  
206 North Murphy Road  
Murphy, Texas 75094  
(972) 468-4008 (facsimile)

If to TAPS:

Texoma Area Paratransit System, Inc.  
Attention: Executive Director  
6104 Texoma Parkway  
Sherman, Texas 75090  
(903) 893-4766 (facsimile)

With copy to:

Darrell G-M Noga  
Cantey Hanger, LLP  
1999 Bryan Street, Suite 3300  
Dallas, Texas 75201

5.2 Recordkeeping and Right to Inspect Records: City and TAPS shall have mutual access to and the right to examine all books, documents, papers, and other records of the other party involving transactions relating to this Agreement. City and TAPS shall have access during normal working hours to all necessary facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this article. City and TAPS shall give the other Party advanced notice of at least forty-eight (48) business hours of intended audits.

**Article 6.**

6.1 Governing Law: The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement.

6.2 Place of Performance and Venue: This Agreement is performable in Grayson County and Collin County, Texas. Any legal action between the Parties based on this Agreement shall be brought in Grayson County or Collin County, Texas.

6.3 Remedies: No right or remedy granted herein or reserved to the Parties is exclusive of any other right or remedy herein by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Agreement may be waived without written consent of the Parties. Forbearance or indulgence by either Party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.

6.4 Non-Waiver: One or more instances of forbearance by City or TAPS in the exercise of its rights herein shall in no way constitute a waiver thereof.

6.5 Immunity: In the execution of this Agreement, the Parties do not waive, and neither Party shall be deemed to have waived, any immunity or defense that would otherwise be available to each Party as a local governmental entity and/or political subdivision of the State of Texas.

6.6 Assignment: This Agreement is not assignable except with the advanced written consent

of the non-assigning party.

Agenda Item 7.F.

6.7 No Third Party Beneficiary: For purposes of this Agreement, including its intended operation and effect: (1) the Agreement only affects matters or disputes between the Parties, and is in no way intended by the Parties to benefit or otherwise affect any third person or entity, notwithstanding that such third person or entity may be in contractual relationship with City or TAPS or both; and (2) the terms of this Agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owed by them to either City or TAPS.

6.8 Counterparts: This Agreement may be signed in counterparts, and each executed copy shall be deemed a counterpart original, with full force and effect and enforceable against the Parties executing same.

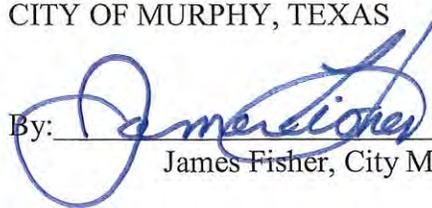
#### **Article 7.**

7.1 Each Party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

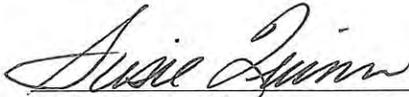
(Signatures on Following Page)

SIGNED AND AGREED this 5<sup>th</sup> day of August, 2014.

CITY OF MURPHY, TEXAS

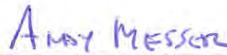
By:   
James Fisher, City Manager

ATTEST

  
Susie Quinn, City Secretary

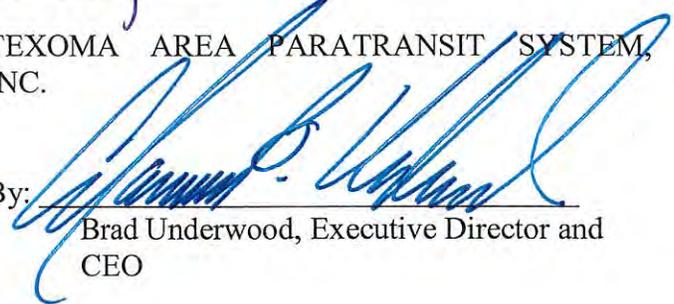


APPROVED AS TO FORM

  
Andy Messer, City Attorney

SIGNED AND AGREED this 6 day of January, 2015.

TEXOMA AREA PARATRANSIT SYSTEM,  
INC.

By:   
Brad Underwood, Executive Director and  
CEO

Executed on behalf of Texoma Area Paratransit  
System, Inc. pursuant to Board Resolution No. \_\_\_\_\_

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Friday, October 16, 2015 6:16 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: Collin County bus agency provides unreliable transportation

Collin County bus agency provides unreliable transportation

By VALERIE WIGGLESWORTH  
 Dallas Morning News  
 Published: 15 October 2015 11:45 PM  
 Updated: 16 October 2015 12:02 AM

Rosa Henderson used to be a regular rider on TAPS Public Transit.

But the Collin College student, who is legally blind, says miscommunications and delays in the past year or so have made her trips a struggle. She's had drivers who questioned whether she really could see, who couldn't tell her when they had arrived, and who sometimes left her stranded.

For those who rely on TAPS, the problems could get even worse.

Nearly two years of mismanagement coupled with unprecedented demand for service have created a crisis for the nonprofit transit agency that serves Collin and several rural counties. TAPS recently announced it will have to cut spending to stay afloat and pay overdue bills. The fiscal year 2016 budget approved by the board is for about \$16.9 million.

Specifics about its recovery plan along with potential cuts in service will be discussed at a board meeting Wednesday. Meetings will also be scheduled to take public comment on any reductions in service.

Officials have acknowledged problems and are working on "a comprehensive plan to be more efficient, improve overall operations and reclaim a legacy of conscientious customer service," according to a news release.

But that's no consolation to those who depend on the bus service to get to work, school or to medical appointments.

"We have no other alternative," Henderson said.

**Moving bus stop**

Fixed bus routes were added after Henderson moved into her McKinney home. But TAPS has no designated waiting area at Baylor Medical Center at McKinney, the nearest stop to her home. Some drivers stop near the emergency room, she said. She found other drivers waited for riders across the lot near the office building. Henderson said she couldn't figure out where to go.

She opted against even trying the fixed route after learning that the stop for the McKinney campus required her to walk across six lanes of busy U.S. Highway 380.

TAPS spokesman Dan Acree said plans are in the works to designate certain areas for stops in McKinney as part of a grant from that city's Community Development Corp. Details are still being worked out. Acree said he expects improvements to be in place by the end of November.

In some cases, though, signs may take a while to appear because of permissions needed. Placing a bus sign along the state highway in front of Baylor, for example, is a year-long process.

The agency's shortage of vehicles is also affecting service. As of last week, 77 of its 144 vehicles were out of service because it didn't have the money to make repairs. Five buses instead of the 10 buses it needs are running the McKinney fixed routes. Riders on those routes have reported delays of up to two hours.

Because of a shortage of vehicles, TAPS says reservations may also need to be booked as much as five weeks in advance. Officials say that probably won't change anytime soon as it tries to get a handle on service levels.

Henderson said that's a lot of the reason why she hasn't been able to reserve rides for school this semester. For now, she relies on a friend with a similar schedule to take her to classes four days a week. But she's unsure what she'll do when she gets a new schedule next semester.

**Affecting job**

Reliable is not a word that Brooklyn Decker would use to describe TAPS. The McKinney woman, who is blind, rides the bus several times a month to get to her job as a massage therapist in Frisco. But the on-demand, curb-to-curb bus is often late, she said. And sometimes her ride back home shows up hours early before she's able to leave work. But what choice does she have?

"If that service goes away, I have to cut back my hours," Decker said. "How am I supposed to pay my bills?"

Like Henderson and Decker, Justin Mann did his homework before moving to McKinney. Public transit gives Mann, who uses a seeing-eye dog, the independence to go where he wants when he wants. But the service is not what he was told it would be.

Local officials, he said, "have got to really understand the realities of what it means to have a good working public transit infrastructure, the types of people that use it and what the consequences are when it doesn't work."

Mann uses the on-demand, curb-to-curb bus service five days a week to get to his information technology job in Frisco. Without TAPS, he'll lose his job. But he and Garvey, his dog, have been stranded multiple times because his reserved ride never showed up.

"Collin County is a prison with work release for any blind person living here," Mann said. "It shouldn't be like this."

Back on track

At a TAPS board meeting last week, interim CEO and executive director Tim Patton outlined the agency's financial troubles and emergency steps to get TAPS back on solid footing.

"We must live within our means," Patton told the board.

And that means drastically scaling back services. Two of McKinney's bus routes have already been eliminated. And the board has voted to halt the city's weekend bus routes, which is expected to save about \$471,000 for the year. A date for cutting the weekend service has not been set.

Other possible cuts include on-demand rides for Grayson College students, airport shuttles in its service area and some operational hours for McKinney and Grayson County fixed-route services. TAPS is also looking to reduce the hours of operation for its dispatch and call centers.

Most significantly, the agency now limits its curb-to-curb service. At its peak, TAPS provided 900 on-demand trips per day in Collin County. The agency has cut that back to 350 trips a day. Other counties have caps on rides as well.

"We've capped rides because we don't have buses for service," said Ben Herr, director of operations for First Transit, which contracts with TAPS to provide drivers and other operational staff.

The North Central Texas Council of Government's transportation board, which steers federal funding to local initiatives like TAPS, voted last week to help the beleaguered entity. It will spend up to \$100,000 on outside financial consulting services and to backstop a \$250,000 loan to provide cash flow for TAPS.

But because TAPS' problems didn't happen overnight, solutions won't be quick in coming either.

Outgoing board chairman Jay Davidson said he realizes that a lot of people count on TAPS to get around. But he couldn't say when service might get better.

"Everyone is trying as hard as they can to make this work," he said.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Monday, October 19, 2015 9:08 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: riders express concern over possible service reductions

TAPS riders express concern over possible service reductions

By Michael Hutchins  
 Herald Democrat  
 Posted October 18, 2015 - 11:10am

As a part of plans to recover from its ongoing financial crisis, officials with TAPS Public Transit have announced that service cuts and reductions may be part of the solution to its current budget woes.

The agency's Board of Directors discussed the possible cuts — including a reduction of on-demand service — during a board meeting earlier this month and as news of that possibility spreads, individuals who use TAPS for daily transportation needs are expressing concern over the proposed service cuts.

"The way our budget works, (my wife) prefers me to go to work on TAPS," TAPS rider Richard McKibbin said.

McKibbin lives in Savoy but has used the transit service to commute to work in Sherman every day for the past year. Over the summer, he stopped using the service for about two weeks due to reduced service quality, he said.

McKibbin said service became less reliable when officials with TAPS increased the notice needed to schedule on-demand trips to two days. In recent months, on-demand service became even further backed up, with riders needing to schedule rides weeks in advance. TAPS officials said this was due to vehicles being removed from the active fleet due to maintenance and other concerns.

"A lot of (my coworkers) have had to change schedules to accommodate TAPS," McKibbin said.

Further reductions of service, including the elimination of an early morning route, made the situation even harder for McKibbin, who often would need to be at work at 6 a.m. McKibbin said he has considered using a fixed route to get to work, but the closest one starts in Bonham.

"It is just as easy for my wife to take me to work as it is for her to take me to Bonham," he said.

If TAPS reduced its service, McKibbin said he would likely be able to adapt to the changes, but it wouldn't be easy for everyone.

"I know others who have no one in the household who drives", he said. "We are probably in a better situation, but we'd still be greatly inconvenienced."

Denison resident Debra Richard said she would be inconvenienced greatly if TAPS were to remove on demand service in the area.

"I really don't have any family here," Denison resident Debra Richard said. For the past seven years, Richard has had to use a power wheelchair. Richard use TAPS for transportation regularly from going to doctor's appointments to shopping.

Richard said she first started seeing a change at TAPS when it started the Access Program which provides Medicare and Medicaid transportation services for counties across North Texas. She said she hasn't used the service in nearly a month due to the delays in scheduling service. Instead, she said she has used her wheelchair for trips to the grocery store.

"You have to go all across town in a motorized wheelchair," she said. "It's a safety concern."

For workers and visitors to the Eisenhower Business Center, the sight of TAPS buses dropping off employees is a common sight.

"Between us and our neighbor tenants, we have TAPS here every hour on the hour," Dialog Direct Business Director Leila Lassetter said.

Lassetter said about 30 percent of the company's 300 employees use the service to get to work. She said Dialog Direct has had some employees having trouble getting to work in the past, but nothing out of the ordinary.

Recently the company considered adding bus service through TAPS as a benefit for its employees who are looking for rider share and other economical transportation options. Lassetter said public transportation is important for Dialog Direct as it looks to expand and hire employees further away from Denison.

One organization that could see reduced on-demand services from TAPS in the future is Grayson College. During its October board meeting, Chief Financial Officer Lori Cannon said the agency could save \$1.2 million by reducing the on-demand service to the college. Cannon derived that number based on the transit services that were rendered in the past year.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Thursday, October 22, 2015 7:09 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: transit service planning deep cuts to bus service, including in Collin County

TAPS planning deep cuts to bus service, including in Collin County

By VALERIE WIGGLESWORTH  
 Dallas Morning News  
 Published: 21 October 2015 11:02 PM  
 Updated: 21 October 2015 11:02 PM

SHERMAN — Cuts to bus service in McKinney and Collin County are inevitable as TAPS Public Transit slashes operations in the face of a financial crisis.

Many of its riders are people who have disabilities or who can't afford a vehicle of their own to get to jobs, to school or to medical appointments. As the agency considers what to cut, services they rely on could be reduced.

"We cannot provide service to everyone who needs it," TAPS interim CEO Tim Patton said at Wednesday's board meeting.

The agency's financial plan calls for reducing weekly operating costs in its seven-county area to about a third of what it provides now, from \$208,376 to \$72,424.

Fixed bus routes are more cost-effective than on-demand curb-to-curb rides. And fixed bus routes can serve more riders. But those routes don't always go where people need them to go.

The agency hopes to hear from riders as it makes the final cuts. Only one rider turned out for Wednesday's public hearing in Sherman. A second public hearing is set for Oct. 29 in McKinney.

The seven bus routes launched last November in McKinney included stops at the Collin County Courthouse, the Collin College campus on University Drive, Baylor Medical Center at McKinney and the Wal-Mart Supercenter along Lake Forest Drive. The question now is what combination of routes and stops will best serve riders.

"TAPS designed and built a system that we frankly couldn't afford," said Randy Pogue, a McKinney City Council member who also sits on the TAPS board. "Hard decisions have to be made."

Already, the TAPS board has eliminated all weekend fixed-route bus service in McKinney starting Nov. 1. The airport shuttle service to Love Field and Dallas-Fort Worth International Airport from McKinney, Sherman and Decatur is also being eliminated. Fixed bus route service will also be cut in Grayson County, where TAPS had the most riders last fiscal year. The number of on-demand rides are being scaled back as well.

TAPS plans to work with city and county officials in each area to decide what service works best with the funding available.

The city of McKinney plans to hire a consultant to examine its transit needs. But results won't be available in time to incorporate them into the reduction in services, which TAPS says must be in place by Dec. 1.

In addition to Collin and Grayson counties, TAPS serves Clay, Coke, Fannin, Montague and Wise counties. It also has individual contracts with the cities of Allen, Fairview, Frisco and Wylie that will be renegotiated as needed. Special contracts with McKinney ISD, the Boys and Girls Clubs and senior centers will also get another look.

TAPS has a separate contract with the Texas Department of State Health and Human Services to provide non-emergency medical transportation to Medicaid recipients in a 16-county area of North Texas.

Dimitria Pope, the state's medical transportation program director, told the TAPS board Wednesday that her agency has serious concerns. She cited a decline in the level of service provided, an increase in the number of client complaints and discrepancies in numbers that have her questioning the integrity of TAPS.

TAPS officials say they are looking into her claims. Both TAPS and the state are reviewing whether to continue with the remaining two years on the three-year contract.

Those policy questions don't mean much to Justin Mann, who is blind and relies on TAPS to get him from his McKinney home to his information technology job in Frisco five days a week. It's unclear whether that on-demand service will still be available come Dec. 1.

"Where do I go from here?" he asked the board. They didn't have any answers.

Public hearing

TAPS will hold a public hearing at 5:30 p.m. Oct. 29 at McKinney City Council chambers, 222 N. Tennessee St.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Friday, October 23, 2015 6:46 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: HHSC raises concerns about future of TAPS Access

HHSC raises concerns about future of TAPS Access

By Michael Hutchins  
 Herald Democrat  
 Posted October 22, 2015 - 5:35pm

It has been just over a year since TAPS Public Transit launched its TAPS Access program to provide non-emergency Medicaid transportation services across North Texas. As the agency looks to recover from recent financial woes, including \$4 million of debt, the future of this program may be in danger.

The TAPS board of directors received an update on the organization's contract with the Texas Health and Human Services Commission for Medicaid transport services during its meeting on Wednesday. TAPS is one of six organizations that provide transit services for Medicaid-eligible medical visits across the state.

"As it stands now, we've been in operation a little over a year now ... and during this time I have to say that all of the (service providers) have experienced some degree of challenge," Dimitria Pope, director of the HHSC Medical Transportation Program, said. "TAPS has had more than most."

The discussion was originally slated to be held in executive session with TAPS' attorney, board Chairman Chris Hill said. "However, we do not have an attorney on record due to nonpayment," Hill said.

Rather than delay discussions, Hill recommended that the discussions be held in open session.

Pope said the HHSC has in recent weeks assessed TAPS to determine whether the agency is in compliance with its guidelines and practices. A focus was placed on the organization's financial solvency and the quality of service that was offered. Pope said the organization has been found deficient in these regards, with 50 percent compliance with HHSC regulations and practices.

"It is to the point that I have at my disposal alternatives to ensure compliance with the assessment of liquidated damages," Pope said.

As a part of the assessment, Pope said she has looked through the organization's debts and was concerned with the findings. Among the people TAPS is in debt to are what Pope called individual transit participants — individuals who are reimbursed for Medicaid travel by the HHSC using TAPS as an intermediary. Pope said there are about 550 ITPs that are owed about \$44,000 by the agency.

Other debts include money owed to the HHSC itself. Under the agreement, TAPS must pay a percentage of its unused revenue back to the state each year. The estimates for this debt range from \$20,000 to \$350,000, HHSC Financial Manager Matthew Wanat said.

Other concerns center around the relationship between TAPS and subcontractors used to provide services ranging from management to busing services in outlying areas. These concerns were raised by an anonymous letter from former TAPS employees that was received by the HHSC over the summer. TAPS staff also received this letter, but it was never presented to the board, Hill said.

Pope said these organizations, including TransLogistics Solutions, First Transit, Transit Management of Sherman and Native American Logistics, are closely related to one another.

"All of those entities seem to be interwound and there are major dollars going out to them," Pope said.

Other concerns raised by the assessment include a lack of supporting documents to match financial reports made to HHSC, discrepancies with trip pricing, and other recording errors that were discovered while trying to perform a bank reconciliation.

"It turns out that the discrepancy to the bank ledger is so vast that we couldn't reconcile it," Wanat said. "What that means is on your general ledger, you do not know if you have revenues due; you don't know if there are expenses that are outstanding; ... you don't know your financial position."

Wanat said it appears that funds from the Access program were mixed with other revenue streams and used to subsidize other TAPS programs.

TAPS Board Vice Chairman Bill Magers asked Pope whether it would be possible to salvage the relationship between TAPS and the HHSC. Pope said it is possible, but the decision is not her's to make. If the contract does continue, Pope said, corrective action plans are possible to correct any lingering deficiencies in the program.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Wednesday, October 28, 2015 8:36 AM  
**To:** James Fisher  
**Subject:** Grayson County/TAPS Public Transit: county judge gives commissioners court status report on transit service

Grayson County judge gives Commissioners Court status report on TAPS

By Jerrie Whiteley  
 Herald Democrat  
 Posted October 27, 2015 - 5:17pm  
 Updated October 27, 2015 - 6:17pm

On Tuesday, Grayson County Judge Bill Magers updated the rest of the county's governing body about the situation at TAPS Public Transit.

The good news was that the agency was able to confirm that it had paid, on Tuesday, the employees that were supposed to get paid last Friday.

Magers said he could even confirm that the agency has enough funds to meet its next payroll. After that, he said, things are still up in the air.

While Magers said he thinks the bus service that has been in operation in Grayson County since 1986 can be saved, he said it will be a long haul and will require a lot of work from everyone involved and deep cuts across the board. Noting that, Magers told commissioners to relax because he wasn't there to ask them for money, not yet anyway. He said he has to see a lot more changes at TAPS before it will be a good investment for Grayson County.

"I think it is important for our community to understand where things sit," Magers said. He reminded the court that he was elected vice chair of the ailing transportation agency about a month ago.

"A lot of folks are using that service," he said and then told the group that for the fiscal year 2014-2015, TAPS had 153,277 riders in Grayson County.

The next largest ridership was in Collin County where the agency logged 141,720 riders for the year. Cooke County showed 16,873 and Fannin County showed 22,146. Montague County had 11,971 and Clay County had 17,789 riders. He said out of the 385,263 riders that year, 140,217 were rural and 245,046 were urban. That is important to note, he said because TAPS receives a 1:1 payment rate for trips in rural areas, whereas it gets about half that on urban trips.

Knowing where one makes or loses the most money, he said, is important in the effort to try to save the transportation agency.

Magers said the agency's payment model has always been that it provided services and paid for expenses up front and then waited to be paid for those services with grants and other governmental revenue sources. Those sources sometimes paid slowly, he said, which contributed to the trouble the agency is dealing with right now.

He said the agency also gets money from the TxDOT, FTA, the North Central Texas Council of Governments and a list of agencies that included colleges, small cities and some counties. That list of contributions totaled \$1,270,217. That money comes in amounts as small as \$600 from the city of Honey Grove and as large as \$430,000 from the city of Allen. Grayson College pays \$100,000 a year to the agency. That money is used as a cash match for federal dollars.

He said TAPS pays a bill and then it sends in its documentation for that payment to the agency that funds that particular service and waits for payment to be sent.

The agency has to have money in the bank to pay its bills while it waits on that reimbursement.

"TAPS has no capital," he said. He said the agency has the promise of a \$250,000 backstop loan from NCTCG that has yet to be completed.

He said that money will help for a while, but TAPS must change the way it does business in order to survive. He said in the past, the agency waited on reimbursements that were slow in coming and supported, through debt, programs that didn't pay for themselves.

It no longer has the luxury of doing either thing, Magers said.

He said the agency has worked to reduce its costs. Last week the board made serious cuts to the services offered, he said. The problem is some of those changes will take at least a month to implement, so the savings won't be realized

until at least December. And that is not the last of the cuts, he said. He explained that the Regional Transportation Commission recommended that all services in rural areas be cut to medical trips only. That cut has not been approved yet, he said, but it probably should be.

And Magers said the cuts won't stop at services. He said TAPS has to be trimmed in terms of employees as well. He said he cannot say that those cuts will be made, but he can say that he won't support a business model that he doesn't think can survive. And he doesn't think a business model with the number of upper-level staff that TAPS currently has looks healthy.

"It is not going to do us any good to throw money at a problem if all you are going to do is prolong it or keep it alive for a few more days, weeks or months or whatever," Magers said.

He said he is not convinced, at this time, that it can be fixed.

However, he said, there are some possible bright spots. He said there are, dating back to 2013, bills that have been paid and not reimbursed for and there are bills for which they cannot claim reimbursement.

He said there could be up to \$3 million for which TAPS can get reimbursed from those older bills.

"We don't know, as a board today, how that all shakes out," Magers said.

He said if they can offer services for a cost below what they can get reimbursed from the paying agencies, they should be able to turn enough of a profit to pay off the debt.

However, there is no assurance that it can be done, so there are other plans in the works. Once such plan, he said, is to ask TxDOT for \$2.5 million. Magers said he feels for that request to be considered seriously, it must be backed by the state leaders for each of the entities involved. Grayson County Rep. Larry Phillips is on board with that plan, Magers said, but some local representatives from some of the other entities seemed less intent on getting their state counterparts involved in the request.

"We could talk for hours about how TAPS got here," Magers said, "but it doesn't really matter at this point."

He said what matters is that people know that to get out of this situation, "every single stakeholder needs to step up and do their part."

He said he has some ideas about what that means, but the other 14 TAPS board members all have their own ideas as well.

"That is one thing that we have got to work out," Magers said.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Monday, November 02, 2015 8:14 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: agency denied emergency assistance funding by TxDot

TAPS denied emergency assistance funding by TxDot

Posted: Sunday, November 1, 2015 3:50 pm Staff Report by Garrett Cook

Although it was considered to have a slight chance of approval, the TAPS board of directors voted on Oct. 21 to reach out to TxDOT, asking for emergency funds. On Thursday, TxDOT denied the request in a letter delivered to TAPS Board Chairman Chris Hill.

TAPS Interim CEO and Executive Director Tim Patton said the request was a "hail mary" attempt that had to be made.

"We have been in touch with TxDOT on a daily basis for the past few weeks and they have been nothing but supportive, but asking them to come up with unscheduled, discretionary funds was a stretch," Patton said.

The letter, written by the state transportation agency's executive director, said TxDOT "(does) not have the discretionary funds available at this time," but that his agency will continue to process all reimbursements for which TAPS is entitled. All government agencies that provide funding for TAPS have been expediting payments.

Patton said the denial by TxDOT is very disappointing, but will not change the aggressive implementation of a recovery plan that was put into motion at the Oct. 21 meeting of the TAPS board of directors.

**James Fisher**

**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Thursday, November 05, 2015 7:37 AM  
**To:** James Fisher  
**Subject:** Frisco: city ponders TAPS Public Transit renewal, warns agency's troubles could leave city in a bind

Frisco ponders TAPS Public Transit renewal, warns agency's troubles could leave city in a bind

Posted: Wednesday, November 4, 2015 2:00 pm William Taylor The Enterprise

With a significant deficit forcing TAPS Public Transit to downsize, reorganize and even pay employees late, city officials are grappling with what the nonprofit's troubles might mean for Frisco riders.

So far no changes in Frisco's service have been announced, though city officials said they have heard stories of riders needing to know whom to call at TAPS to avoid 30-day waits for the on-demand service call for in Frisco's contract.

The city could explore a transit service alternative such as the Denton County Transportation Authority but in the meantime faces two critical TAPS questions, Paul Knippel, the city's director of engineering services, told the Frisco City Council on Tuesday.

Frisco pays TAPS \$150,000 for an on-demand service used by about 2,000 to 3,000 riders a month, but that contract is up for renewal at the end of November, Knippel said. "Will the TAPS board go ahead and approve a renewal with Frisco? And will TAPS survive to provide the service?"

Officials with the nonprofit agency, which provides public transportation to Collin and six other counties, are working through the survival issue now after announcing recently a budget shortfall of between \$800,000 and \$1.6 million.

"It's a mess," Frisco Mayor Maher Maso said. "There probably needs to be some leadership changes on the board and the staff. They have a big hill to climb."

Mismanagement of funds and maintenance put half of its bus fleet out of service, according to officials.

Last week, TAPS delivered paychecks to 153 employees who didn't receive them on time the week before.

The agency missed payroll for hourly employees, including drivers, call center agents and maintenance crews, agency officials said.

Five employees took the optioned furlough day, but the rest showed up for work, officials said. North Central Texas Council of Governments has expedited payments for invoices TAPS submitted – putting just over \$184,000 in the agency's account – and helped the agency cover the missed payroll, said Tim Patton, TAPS interim CEO and executive director.

NCTCOG also told the TAPS board that it's willing to provide a \$250,000 "backstop" to secure an additional loan or extension of its credit line with local banks. The legal details of the backstop funds are being worked, officials said.

But TAPS won't be covering, or keeping, all of its service to the North Texas region. TAPS board members have approved a cost-cutting plan to repay debts and keep the agency operational and canceled a weekend fixed-route bus service in McKinney.

Frisco city leaders speculated that TAPS would want to continue the on-demand service in Frisco, because the city's contract covers the costs, but Knippel noted the decision may not be that simple.

"There are 20 some odd folks on the [TAPS] board of directors and they represent rural areas," he said, noting issues of perception or politics could come into play as Frisco's contract is considered while services in rural areas are being curtailed.

An immediate decision to not renew the Frisco contract would put the city in a bind, Knippel said, while a long-term decision to switch to another provider would require a transition.

He suggested the city may want to spend the next year, surveying riders about their transportation needs and preferences in preparation for negotiating the right service from a provider such as DCTA and resolving such issues a fares and destinations.

DCTA's flex service allows riders to use its website to schedule rides using a mix of DCTA drivers and Uber drivers, Knippel noted. "That kind of model is something that could be developed for Frisco."

But City Council member Bob Allen voice skepticism about Uber, an Internet- and App-based service that matches passengers with drivers.

"A lot of elderly and disabled – especially elderly women – are not comfortable getting into a Uber car just from what they read in the media all the time," Allen said.

But Knippel noted that DCTA can require a higher-level of screening for such drivers and would have its own drivers available if that's what a rider preferred.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Friday, November 06, 2015 7:02 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: agency says it won't have money to pay operations staff

TAPS Public Transit says it won't have money to pay operations staff

By VALERIE WIGGLESWORTH  
 Dallas Morning News  
 Published: 05 November 2015 11:16 PM  
 Updated: 05 November 2015 11:16 PM

McKINNEY — TAPS Public Transit, which is facing a severe financial crunch, announced late Thursday that it again would not have money to pay its employees in operations.

This is the second time in two weeks that the Sherman-based agency has been unable to pay its hourly workers who drive buses, staff the call center and perform other duties related to operations. Payday is every Friday for these workers.

Some management staff, who are paid every two weeks, did not get paid Oct. 30, said Chris Hill, chairman of the TAPS board. He said at a town hall meeting Thursday night that the agency didn't have money to make full payroll last week, so managers chose to go without pay so that those in operations would get a paycheck.

Hill said TAPS had expected money to come in on Thursday so it could make payroll. When it got word that the money wouldn't arrive, it notified employees about the delay.

"Payroll is a critical expense," Hill told the three dozen people at the town hall. "As soon as possible we need to pay that."

TAPS provides on-demand and fixed-route bus service to Collin and six other counties. It is drastically cutting back service to match its budget. Some cuts, such as weekend bus service in McKinney, have already been made. Other cuts are expected to be announced next week.

The delay in Friday's payroll affects 151 employees: 140 in operations and 11 in facilities and maintenance, according to an email from TAPS.

"No, we do not have any idea of when funds will be available, and we won't speculate," spokesman Dan Acree said in an email.

An email sent to employees about the delay included a message from interim CEO and executive director Tim Patton:

"I promised I would keep you up to date, good or bad news. We are in a very tough place right now, but we're not going to give up. People are counting on TAPS ... so we won't go down without a fight.

"Cash flow is our enemy," Patton wrote. "We have money owed to us. TxDOT and NCTCOG are putting our payments at the top of the pile. They are doing all they can within the rules to help us get through this crisis.

"TAPS is worth fighting for," he continued. "We mean a lot to people who depend on us. The public meetings over the past three weeks have made me more aware than ever of how important we are to people's daily lives and independence."

**James Fisher**

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**From:** James Fisher  
**Sent:** Thursday, November 12, 2015 3:38 PM  
**To:** 'timpatton@tapsbus.com'  
**Cc:** Linda Truitt  
**Subject:** Service Levels

Tim,

I have been reading a lot of article regarding the level of service and the future viability of TAPS. I am very concerned and was wondering if you could shed some light on TAPS. I have asked my Finance Director to hold all payments to TAPS until the City has a clear understanding of how TAPS is going to meet it's service obligations to the residents of Murphy. I am looking forward to your replay. Thank you.

*James Fisher, City Manager*  
*City of Murphy*  
(972) 468-4007 direct  
(214) 690-8576 mobile

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Friday, November 13, 2015 8:00 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: state officials cancel transit agency's Medicaid contract, launch fraud investigation

Texas officials cancel transit agency's Medicaid contract, launch fraud investigation

By VALERIE WIGGLESWORTH  
 Dallas Morning News  
 Published: 12 November 2015 10:41 PM  
 Updated: 12 November 2015 11:21 PM

State officials canceled their multimillion-dollar Medicaid contract with financially troubled TAPS Public Transit on Thursday and launched an investigation into the possibility of fraud.

Sherman-based Texoma Area Paratransit System won the three-year contract in July 2014 to provide non-emergency medical trips to Medicaid recipients in a 16-county area, including Collin County. The service is in addition to its mission of providing on-demand and fixed-route bus service in a seven-county area.

TAPS had created a separate unit for the Medicaid contract called TAPS Access, which worked with multiple subcontractors to provide the rides. But the handling of those subcontracts has recently come into question.

Payment is based on the number of trips provided. In the fiscal year that ended in September, TAPS received an average of \$480,000 per month under the state contract, officials said.

The Texas Health and Human Services Commission said in a letter to TAPS that the magnitude and severity of the contract deficiencies could not be fixed. The commission's Office of Inspector General is investigating whether there is any fraud related to the Medicaid contract, according to a TAPS news release.

TAPS officials said they could not comment further, citing the investigation.

The canceled contract prompted the immediate layoff of 58 employees, including drivers and call center agents.

The trips are being rerouted to other providers, and Medicaid clients should see no interruption in service.

The canceled contract is the latest blow to TAPS, which has struggled financially in recent months due to mismanagement and overspending of its budget. Longtime executive director Brad Underwood resigned in September.

TAPS has a long list of overdue bills. Most urgent is the more than \$1 million in unpaid payroll tax withholdings owed to the Internal Revenue Service. TAPS has also parked about half of its fleet of 144 vehicles because it cannot afford repairs. And because of cash flow problems, TAPS could only afford to pay employees for half of the hours they worked in the most recent pay period.

Last year, TAPS heralded its landing of the state Medicaid contract. Underwood said in a news release that it was a "game-changer" that would make TAPS the state's largest public transportation agency of its kind.

The letter to TAPS from Chief Deputy Executive Commissioner Charles Smith cited multiple contract breaches. It stated that TAPS failed to comply with the contract reporting requirements, failed to pay subcontractors in a timely way, and failed to pay individual transportation participants, who get reimbursed for rides they provide. The letter also noted that TAPS did not maintain the financial integrity and solvency required to provide services.

Money owed to TAPS for the most recent month of service would be used instead to pay any outstanding debts related to the Medicaid service, according to TAPS.

TAPS officials have been working to cut spending and reduce bus service to better align with its limited funds. Most affected will be Collin and Grayson counties, which accounted for more than 75 percent of the rides provided by TAPS last fiscal year.

The next round of service cuts are expected to be detailed at the TAPS board meeting on Friday in Sherman.

**James Fisher**

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**From:** Tim Patton <TimPatton@tapsbus.net>  
**Sent:** Monday, November 30, 2015 6:30 AM  
**To:** James Fisher  
**Subject:** TAPS service

Good morning,

As you know, TAPS has been experiencing a severe financial crisis for some time. I was asked to take on the role of Interim CEO in September and have been working to reduce expenses in order to salvage some part of the company.

Our board moved to reduce service to medical trips only on November 13th and due to a shortage of drivers we have not been able to keep up with that. Frisco, McKinney and Allen have all given notice to terminate TAPS contracts and seek other alternatives. I am advising you to do the same if you have not already done so.

I would be glad to answer any questions you have. Please contact me any time.

Sincerely,

Tim Patton  
Interim CEO and Executive Director  
TAPS Public Transit  
O 903-868-9182  
C 903-815-7704

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Saturday, December 05, 2015 7:36 AM  
**To:** James Fisher  
**Subject:** McKinney:TAPS interim CEO called 'the problem' by two council members resigning from TAPS board

TAPS interim CEO called 'the problem'

A former TAPS board member and McKinney City Council member says the board is relying on interim CEO Tim Patton to get the transit agency out of trouble.

By VALERIE WIGGLESWORTH Follow @vlwigg vwigglesworth@dallasnews.com Staff Writer  
 Published: 04 December 2015 10:58 PM  
 Updated: 04 December 2015 10:58 PM

A McKinney City Council member had some harsh words after resigning this week from the board that oversees the financially troubled TAPS Public Transit.

Chuck Branch and fellow council member Randy Pogue emailed their resignations this week to the board for the Sherman-based Texoma Area Paratransit System. They followed Collin County commissioner Chris Hill, who resigned his post as TAPS chairman of the board Monday, citing frustrations over all the problems and the need to take Collin County in a different direction.

Recent meetings for the volunteer board have become divisive as troubles mount for the agency that provides bus service to a seven-county area. TAPS has more than \$4 million in outstanding debt, multiple agencies are scrutinizing its records, and its practices are the subject of a criminal investigation into possible fraud.

Branch said he believes some of the remaining board members are too complacent and are relying on interim CEO and executive director Tim Patton to get the agency out of the mess that it's in.

"Tim is the problem," Branch said. "Working with the board and them continuing — how do you put it? — to stick up for him and protect him is now guilty by association."

Branch said he believes Patton has been involved in some unethical practices, including blaming his predecessor, Brad Underwood, for all the problems plaguing the bus company that had to scale back service to the bare minimum and lay off nearly 80 percent of its staff in the past month.

Patton was TAPS chief operating officer for three years before taking over when Underwood resigned in September. Branch claimed Patton knew about the agency's financial problems long before the board did and kept quiet about them.

Patton said that in hindsight, he would have done things differently.

"I had always expected that there was communication of critical issues between the former CEO and the board of directors," he said in a written response to the criticism. "That simply was not the case in the past, as we have all learned over time. The record will show that I was never part of any executive session where many critical issues were discussed and I feel that could have helped in the communication if I were to have been."

Branch alleged Patton continues to withhold information from the board and doesn't have the leadership skills to make TAPS successful.

"Right now, you need somebody who's going to be able to build up the organization," Branch said. "Tim's not that leader."

Patton said he serves at the pleasure of the board, which has been split in its opinions between those who resigned and those who remain.

"I believe the current board looks at my performance as the interim CEO very closely, and I would expect nothing less," he said. "As we move forward with a unified board and a single purpose to save this organization, I have to believe we have a fighting chance."

Fannin County Judge Spanky Carter, who was named board chairman on Monday, said the focus needs to be on moving forward toward a solution, not looking back.

"The easiest thing in the world to do is to stand up and blame somebody," he said.

The board has spent a lot of time behind closed doors talking about personnel. The result, Carter said, is that Patton is the board's choice for interim CEO, and he'll stay there until the board decides differently.

Carter pledged to keep board meetings positive and productive going forward. The key is to restore bus service to people who desperately need it, he said.

"Obviously we need to learn from our mistakes and get better at what we do," Carter said. "Now I'm not saying there wasn't anything wrong, but those guys, they just wanted to keep harping on the same stuff over and over and over every meeting."

Pogue did not return calls for comment.

The resignations of Branch and Pogue came after the McKinney City Council's decision last month to cancel its agreement with TAPS.

At Monday's meeting, board member Terrence Steele accused them of tucking tail and running — and taking McKinney's money with them — rather than staying to fight for the beleaguered agency.

But once McKinney decided to get out of TAPS, Branch said, he knew his time on the board was limited. "They need to be unified," he said. "They would have seen me as contentious."

The only representative from Collin County still on the board is Allen Mayor Steve Terrell, who represents the Allen-Frisco-Wylie area. Terrell said earlier this week that Allen is exploring its options but hasn't made any decisions.

"TAPS has been good," he said. "We'd like to continue with them if possible."

Frisco has already opted out of TAPS, letting its one-year agreement expire Nov. 30 rather than renew. It now has an agreement to get bus service through the Denton County Transportation Authority.

On Wednesday, officials announced the 43 people still employed with TAPS were paid what was owed to them through Nov. 20. But nearly 200 workers laid off in November are still waiting to be paid.

The U.S. Department of Labor's Wage and Hour Division is investigating the reports of missed payroll. Officials at the agency could not comment further.

Also creating a hardship is the fact that since TAPS didn't have the money to pay health insurance premiums, many of the employees' recent claims have gone unpaid. Current employees have no health insurance.

Some former employees have started an online petition to voice their concerns and try to get the word out about their plight. The change.org page called "TAPPED OUT — Unpaid TAPS Employees" says people have been evicted from their homes, have had their utilities cut off and are struggling to put food on the table.

"I understand that former employees are angry and frustrated — those laid off, those who were terminated, and those who resigned," Patton said in a statement. "But we have no other choice than to pay the people still coming to work."

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Thursday, December 10, 2015 8:11 AM  
**To:** James Fisher  
**Subject:** TAPS/Collin County/DART: as TAPS rolls back from Collin County, DART eases nonmember requirements for contract services

As TAPS rolls back from Collin County, DART eases nonmember requirements for contract services

Ray Leszcynski  
 The Dallas Morning News  
 Posted December 9, 2015 - 1:21pm Updated December 9, 2015 - 1:31pm

With an eye toward immediate opportunities in Collin County, the Dallas Area Rapid Transit board on Tuesday broadened its policy for contract services outside its 13 member cities.

The 8-5 vote allows new cities to contract for services, but keeps full membership as a target. Current policy mandates a vote to join DART in the fourth year of contracted service. Now, in that fourth year, cities will be required only to have a plan for future membership.

"The concern that has been voiced for a long time now is that fourth-year requirement," Gary Thomas, DART president and executive director, told the board.

The staff proposal was to eliminate the mandate for an election and full DART membership. Board members who represent cities that have been paying into the system for 30 years weren't ready to cross that line.

"We're getting away from membership, which is the reason the agency has been successful," said board member Mark Enoch, who represents Garland, Rowlett and Glenn Heights.

Rick Stopfer agreed, saying the member cities that have paid a penny sales tax into the system see the membership as a commitment to the system. DART's 13 member cities have poured \$9.6 billion into the transit agency since 1984.

"Those member cities have committed to that debt," said Stopfer, who represents Irving.

Non-member cities have instead been able to use the 1-cent to fund public safety or economic development incentives that have helped them lure employers and large developments.

DART had been working toward a spring revision of the policy for contracts outside its service area. But the agency accelerated the process with the collapse of TAPS Public Transit service to Collin County.

"McKinney and Allen will decide within six weeks," Thomas said. Frisco has already come to a one-year agreement with the Denton County Transit Agency for paratransit.

Collin County cities seeking some limited transit options for their residents bypassed DART in recent years, instead contracting with TAPS Public Transit, a Sherman-based entity. That agency then quickly expanded into the northern reaches of the metropolitan area.

The only thing as fast as TAPS' growth has been its unraveling. The agency's financial, operational and political problems in recent months have led to layoffs, missed paychecks, scaled-back service and stranded passengers. On Monday, it pulled out of Collin County altogether.

DART believes DCTA and Kaufman County-based Star Transit are immediate competitors in Collin County. Though upset they didn't have more time to craft their plan, board members on Tuesday voted against postponing its decision for a month.

To ease the opposition to dropping the election mandate, board member Gary Slagel proposed the requirement that cities agree to a system plan and a financial plan that included membership costs.

Enoch amended the motion to add the 36-month time frame for service before new cities committed to a plan for membership. That membership could be five, 10 or however many years beyond the original 36 months that the board at that time would be comfortable with.

"In those 36 months, we're going to come up with a plan for them to become a DART member city," Enoch said. "It's not going to be an unending situation."

**James Fisher**

**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Thursday, December 10, 2015 8:13 AM  
**To:** James Fisher  
**Subject:** TAPS: transit agency looks to lower operating costs by reducing fleet

TAPS looks to lower operating costs by reducing fleet

By Michael Hutchins  
 Herald Democrat  
 Posted December 9, 2015 - 2:00pm

As TAPS Public Transit struggles to move past the financial problems that has plagued it in recent months, officials with the agency discussed ways of further reducing its costs on Monday. Among them is the possibility of reducing the agency's fleet to save on both costs and bring in additional revenue.

"One of the greatest things we can do as an agency is reduce our insurance costs," Operations Director Josh Walker said during Monday's meeting of the board of directors.

The agency currently owes more than \$4 million to its creditors, including the IRS, its management company First Transit, and other local vendors. During last week's meeting, the Board approved an agreement with the IRS to pay off its back payroll taxes, and a promissory note with First Transit.

Walker said the agency currently pays around \$284,000 annually in vehicle insurance premiums. During Monday's meeting, Walker said he plans to reduce this cost to just under \$100,000 annually by reducing the number of vehicles the agency maintains and operates. As of Wednesday, the agency has 131 vehicles in its fleet, CEO Tim Patton said.

Walker said he plans to reduce the fleet to about 50 vehicles within the next three months by either leasing, auctioning or scrapping vehicles that are not needed. Under its current operating levels, Walker said the agency needs 27 vehicles in operation, with other kept as backups.

On Monday, Patton said some of the buses in the fleet remain out of operation because the agency cannot find vendors locally who are willing to provide parts or service until TAPS' debt is resolved. As the agency moves forward, he said, TAPS will likely need to look for new vendors.

Board Secretary Terrence Steele, who represents the city of Sherman, asked if the remaining buses would be enough for the agency's current service.

"I hope that we don't stay at this minimum level forever," Walker said. "However it would leave us with just a couple spares."

Currently, the agency is operating on minimal levels, after the board voted to reduce service to medical calls only on Nov. 13. During Monday's meeting, the board voted unanimously to expand this service to elderly and disabled riders as seats allow.

Walker said TAPS has been in discussions with Citibus, which operates transit services in the Lubbock area. "They are in desperate need of buses," he said, adding that Citibus has shown interest in the agency's Titan II low-floor buses.

These vehicles are designed to transport 14 riders and are equipped with a lift to accommodate wheelchair access, TAPS Public Information Officer Dan Acree said. These buses were originally purchase in 2013, when TAPS started service in Collin County, Acree said.

In recent weeks, the cities of Frisco and McKinney have taken action to terminate their contracts with the agency as it is unable to provide adequate service. Last week, the board of directors saw three resignations out of Collin County, including Chairman Chris Hill. In an interview following the resignation, Hill said the Collin County Commissioners would likely discuss alternative transportation services during a meeting on Dec. 14. At Monday's meeting the TAPS Board took formal action to suspend service in Collin County.

Walker said TAPS currently has 17 of these buses in its fleet. Of those, two are being set aside because they were purchased with funds designated for McKinney service. One bus is also in poor condition and would not be serviceable, Walker said.

With the remaining 14 buses, Patton said TAPS could enter into a six-month agreement with Citibus. For each bus, Patton estimated the agency could see \$500 of lease revenue each month. This lease would require a service agreement by the Federal Transportation Administration between the two agencies. With this reduction to the agency's fleet, Walker said, the agency could see savings of about \$30,000 a year in insurance fees on top of the lease revenue.

Walker said TAPS could reduce its fleet by an additional 40 buses, which are older and ready to be decommissioned. "They are past their useful life. They are costing us money. It is time to get rid of them," Walker said.

Walker said these buses will either be auctioned off or sold as scrap. An initial market survey for 10 of the oldest buses ranged from \$5,000 of value up to \$10,000. To move forward with the auction, TAPS would be required to conduct a cost appraisal for all of the vehicles through the Texas Department of Transportation, which holds the title for the buses. Walker said this reduction would cut the agency's insurance costs by an additional \$68,000 annually.

Of the remaining buses, about another 28 were purchased by the North Central Texas Council of Governments for services in Collin and Wise Counties. Walker said these the majority of these buses will likely return to NCTCOG and be used by agencies that provide future services in Collin County. Under its current service plan, TAPS still provides service in Wise County.

Walker said this will likely bring the agency close to its goal of reducing annual insurance premiums to \$100,000.

Patton said there are opportunities throughout the year to purchase capital equipment through TxDOT. As the agency looks to build back up to its former service levels, Patton said this could be a tool to rebuild the fleet.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Thursday, December 10, 2015 8:32 AM  
**To:** James Fisher  
**Subject:** TAPS: transit agency ends service in Allen; Collin County seeks interim transportation option

TAPS ends service in Allen  
 Collin County seeks interim transportation option

Posted: Wednesday, December 9, 2015 2:17 pm Garrett Cook The Star

TAPS Public Transit's time in Collin County appears to be over.

The agency's board of directors on Monday voted unanimously to cut all operations to Collin County, effective immediately and until further notice.

The vote came after TAPS interim CEO and Executive Director Tim Patton gave an updated operational report that showed continuing operations in Collin County is economically inefficient, putting an undue burden on the agency.

Allen Assistant City Manager Eric Ellwanger confirmed that TAPS had not provided fixed-route service in Allen since Nov. 20. TAPS will no longer offer on-demand service in Allen either.

Ellwanger said the city is working with the North Central Texas Council of Governments (NCTCOG) to "determine a path forward."

It is unclear if or when TAPS will serve Allen and other Collin County recipients like Frisco and McKinney.

TAPS spokesman Dan Acree said that the city of Allen has been very supportive through the agency's recent struggles to maintain service in North Texas, and that TAPS officials communicate daily with the city.

Because fixed-route service is more economical and is provided through a separate interlocal agreement from demand-response service in Allen's case, Acree said it would not be as difficult to restore fixed-route service in the city. He added that Mayor Stephen Terrell, who is on the TAPS board, "understands the situation fully."

"As far as we're concerned, our hope is that we could at some point continue the service to Allen," Acree said.

Ellwanger said he could not speculate on TAPS' future with Allen.

The Regional Transportation Council (RTC) has an item on its agenda for today's meeting to consider "Contingency Emergency Supplement Transit Options for TAPS." According to Ellwanger, it is intended to provide interim services for 90 to 120 days with strategies including using a mix of existing transportation providers to fill the gaps in transit service, including metropolitan transportation authorities like DART, rural and small urban providers and private taxi companies.

Ellwanger said the city has received calls and emails from residents who use TAPS who expressed their concerns over the lack of public transportation. City staff members shared similar information with them regarding RTC's intention of providing temporary emergency transportation.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Monday, December 14, 2015 8:43 AM  
**To:** James Fisher  
**Subject:** Dallas Area/TAPS Public Transit: regional transportation officials put TAPS board members in the hot seat

Regional transportation officials put TAPS board members in the hot seat

By Brandon Formby  
 The Dallas Morning News  
 Posted December 13, 2015 - 3:06pm

DALLAS — Last week, the Regional Transportation Council questioned and criticized Chairman Spanky Carter and Vice Chairman Bill Magers of TAPS Public Transit about that agency's spectacular financial and operational collapse that has left scores of North Texans, including those needing vital medical trips, without a ride.

But the RTC overwhelmingly agreed to spend up to \$675,000 Thursday on short-term subsidies to cities and counties searching to replace TAPS Public Transit.

The agency is more than \$4 million in debt, hasn't paid all current and former employees for their work and has drastically cut service. It is also under criminal investigation by the Texas Health and Human Services Commission's Office of Inspector General for possible fraud over the handling of a Medicaid contract.

Carter and Magers said they've yet to figure out how the staff's alleged mismanagement went unnoticed until a rapid unraveling of operations.

RTC member Bernice J. Washington said the situation sullied the reputations of all public servants.

"I want to lash out at you ferociously," Washington said. "I mean, I want to scratch your eyes out."

Carter said he sits on more than a dozen boards and has to rely on what an entity's staff members tell him. He said that former TAPS executive director Brad Underwood did a "good job at selling the deal."

"Obviously we didn't ask the right questions," Carter said. "We didn't ask enough questions. It's hard to believe, but it's the truth."

As questions about operations and funding mounted this summer, a TAPS finance committee couldn't get copies of key financial documents for a meeting aimed at assessing the situation. The only information available was that day's bank balances. Underwood resigned weeks later.

Magers said invoices for money owed the agency weren't processed correctly and that important documents were essentially just stuffed away without ever being reconciled.

The RTC previously agreed to spend \$100,000 to have accountants help remaining TAPS employees figure out money the company spent that state and federal agencies should reimburse.

"That's my No. 1 goal: to get out of this mess," Carter said. "Frankly, I'm embarrassed about it. I don't know what else to say."

RTC member and Tarrant County Judge Glen Whitley commended Carter for remaining on the TAPS board to help fix the problems that officials said were years in the making. The comment appeared to be a back-handed criticism of three Collin County officials who resigned from the board in recent weeks.

Collin County Commissioner Chris Hill cited frustrations about agency mismanagement and failure to make payroll as reasons for his resignation.

McKinney City Council members Chuck Branch and Randy Pogue also resigned. Branch said remaining board members are too complacent and are relying on interim CEO and Executive Director Tim Patton to get the agency out of the mess.

Branch also believes Patton has been involved in some unethical practices, including blaming Underwood for all the problems plaguing the company.

Whitley's comments Thursday prompted a back-and-forth between the TAPS board members and McKinney Mayor Brian Loughmiller, who is also an RTC member, about the timeline of service cutbacks and the resignations.

TAPS cut most fixed bus routes, including those in McKinney, and limited the amount of on-demand rides Nov. 13. The Collin County officials resigned weeks later. The TAPS board cut all Collin County service the following week.

The RTC previously approved backstopping a \$250,000 loan to provide TAPS with some cash flow. But Magers said the agency hasn't been able to find a bank to loan them the money. He and Carter said that the agency needs about \$50,000 a week to keep operations going. Carter said that if they can keep TAPS operating for about 60 days, they should be able to figure out what happened and how to move forward.

RTC members, though, made it clear that they're not likely to provide any more financial assistance if the counties and cities TAPS still serves don't also pitch in.

"That's a whole different story than coming up here and saying, 'We're clueless and need a whole bunch of money,'" RTC member Mike Taylor said.

Carter and Magers said they don't think the counties and cities would be willing or able to help. The funds the RTC approved Thursday will go to cities and counties seeking to replace TAPS, not to the agency itself. The funds are also in addition to whatever cities and counties plan to pay themselves.

Magers said that he doesn't think a rural transit agency's business model works in urbanized areas like southern Collin County. Whitley, who is an accountant, suggested that someone may have stolen funds from TAPS that may never be recovered.

"It'll be the last person you thought could have done it and the one person you thought was your best friend," he said.

Carter vowed to stick with the agency until it either dissolves or is turned around.

"It may die, but we aren't going to quit it," he said.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Wednesday, December 23, 2015 7:07 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: transit agency receives reimbursements, makes payments to current employees

TAPS receives reimbursements, makes payments to current employees

By Michael Hutchins  
 Herald Democrat  
 Posted December 22, 2015 - 5:09pm

TAPS Public Transit made headway against its looming back payroll on Monday when it was able to pay current employees for two missed pay periods. The news came after two outstanding reimbursement requests were paid early Monday morning.

The Texas Department of Transportation issued a reimbursement for \$39,000 which cleared early Monday morning. A second reimbursement for \$24,000 from the North Central Texas Council of Governments also cleared Monday.

"These were the two payments we expected to come in and they did deliver on this," Interim CEO Tim Patton said on Tuesday.

Through these reimbursements, TAPS was able to pay back payroll to drivers, call center agents and other operations employees for missed payroll from Dec. 4. A second payroll for administration staff from last week was also issued Monday, Patton said.

With these payments, TAPS is only behind by a single payroll period from Dec. 18 for current employees, Patton said.

In recent weeks, Patton said the agency has focused its attention on sorting through previous payroll expenses that were never reimbursed. Patton said these reimbursements have an added benefit of being simple to document compared to other expenses the agency incurs.

"We are just reaching out and finding reimbursements that are easy to get and easy to document," Patton said.

Currently, Patton said the agency is working on a \$70,000 reimbursement through TxDOT, which should be submitted in the coming days. The agency is also working on a series of small reimbursements totaling \$14,000 through NCTCOG.

Despite the good news, the agency has yet to make payments to former employees who are still waiting for final paychecks. In a meeting last week, TAPS staff estimated that the agency would owe \$476,723 if it missed its Dec. 18 payroll.

"We had hoped to (pay former employees) this time, but there just aren't enough funds to do that," Patton said.

Moving forward, TAPS staff has said payments to former employees would be made after current employees are paid, and based on the length of the debt and employee seniority.

Patton said he was hopeful that payments to former employees would be made soon, as the agency is starting to see the effects of cost-cutting measures including the reduction of service and layoffs of more than 60 percent of its workforce in November.

**James Fisher**

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**From:** Lewis F. McLain, Jr. <LEWIS@MCLAINDSS.COM>  
**Sent:** Sunday, December 20, 2015 8:52 AM  
**To:** James Fisher  
**Subject:** TAPS Public Transit: transit agency waits for reimbursements as employees wait for pay

TAPS waits for reimbursements as employees wait for pay

By Michael Hutchins  
 Herald Democrat  
 Posted December 19, 2015 - 11:48am

As officials with TAPS Public Transit anticipate reimbursement payments in coming days, employees will have to wait for paychecks. The transit agency said Friday that it was unable to make payroll for current employees this week, but officials said funds will likely be available before Christmas.

Current TAPS drivers and other current operations staff are owed for two pay periods dating back to Dec. 4. Current administration and support staff are owed for one period, when payroll was missed on Dec. 11.

"I feel confident we will be funded no later than Monday where we can pay the payroll from Dec. 4," interim CEO Tim Patton said on Friday. "Our accounting staff is working on more reimbursements that will hopefully catch up the payroll from today, but I don't have an exact date of payout and processing is difficult with the holidays."

Currently TAPS is awaiting the distribution of nearly \$64,000 in reimbursements from the Texas Department of Transportation and North Central Texas Council of Governments. A second series of reimbursements totalling nearly \$70,000 is expected in coming days.

During a Wednesday meeting of the TAPS board of directors, staff said the agency would continue to pay current employees as reimbursements are received. Human Resources Director Leah Campbell said the agency will begin to make payments to former employees who are waiting for outstanding paychecks as TAPS has funds after prioritizing current employees.

Campbell said these payments will be prioritized based on the age of the debt and by seniority of the employee.

Despite the good news about incoming reimbursements, Patton said former employees will still have to wait for payments for past wages. "Incoming dollars will still not be enough to catch up current employees completely," he said on Saturday.

As of Friday, TAPS owes about \$477,000 in outstanding payroll expenses. These debts date back to Nov. 13 for former TAPS Access employees who were laid off following the Texas Health and Human Services Commission's decision to terminate its contract with TAPS for non-emergency medical transportation services.

**City Council Meeting  
January 05, 2016**

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**Issue**

Discussion on the Board and Commission Orientation on Saturday, February 6<sup>th</sup> from 9 a.m. until noon at the Murphy Community Center.

**Staff Resource/Department**

James Fisher, City Manager

**Summary**

The City has been holding an Annual Orientation Work Session for the Boards and Commission Members for the last several years. This is an opportunity to discuss Open Records Requirements, Open Meeting Requirements, discussion of the Ethics Policy, staff and Board/Commission communication. This year we will also discuss the general direction/goals that the City Council would like for 2016.

**Action Requested**

Develop an agenda with action items for the 2016 Board and Commission Orientation.