

City of *OVILLA* City Council

Rachel Huber, Place One
Larry Stevenson, Place Two
David Griffin, Place Three, Mayor Pro Tem

Richard Dormier, Mayor

Doug Hunt, Place Four
Dean Oberg, Place Five
City Administrator, Vacant

105 S. Cockrell Hill Road, Ovilla, TX 75154

Monday, March 09, 2015

6:30 P.M.

Council Chamber Room

AGENDA

NOTICE is hereby given of a Regular Meeting of the City Council of the City of Ovilla, to be held on Monday, March 09, 2015 at 6:30 P.M. in the Ovilla Municipal Building, Council Chamber Room, 105 S. Cockrell Hill Road, Ovilla, Texas, 75154, for the purpose of considering the following items.

I. CALL TO ORDER

- Invocation
- Pledge of Allegiance

II. COMMENTS, PRESENTATIONS & REPORTS

Proclamation – Meals on Wheels

▪ Citizen Comments

The City Council welcomes comments from Citizens. Those wishing to speak must sign in before the meeting begins. Speakers may speak on any topic, whether on the agenda or not. The City Council cannot act upon, discuss issues raised, or make any decisions at this time. Speakers under citizen's comments must observe a three-minute time limit. Inquiries regarding matters not listed on the Agenda may be referred to Staff for research and possible future action.

▪ Department Activity Reports / Discussion

- | | |
|---------------------------------------|-----------------------------------|
| • Police Department | Police Chief M. Moon |
| ○ Monthly Report | |
| • Fire Department | Interim Fire Chief B. Kennedy |
| ○ Monthly Report | |
| • Public Works | Public Works Director B. Piland |
| ○ Monthly Report | |
| • Finance Department | City Accountant L. Harding |
| ○ January 2015 Monthly Financials | |
| • Administration | Interim City Administrator J. Lee |
| ○ Monthly Municipal Court Report | City Secretary P. Woodall |
| ○ Monthly Code/Animal Control Reports | Code/AC Officer M. Dooly |

III. CONSENT AGENDA

The following items may be acted upon in one motion. No separate discussion or action is necessary unless requested by a Council Member, in which event those items will be pulled from the consent agenda for individual consideration.

- C1. January 2015 Financial Transactions over \$5,000
- C2. Minutes of the February 09, 2015 Briefing Session and Regular City Council Meeting
- C3. Interlocal Cooperation Contract for the Lease of Voting Machine with Ellis County

IV. PUBLIC HEARING AND CONSIDERATION

In accordance with the laws of the State of Texas, the City Council of the City of Ovilla conducts public hearings to receive public testimony and comments from all interested persons and parties of the properties described.

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1. Replat 201415.002. Receive presentation and citizen comments on a request filed by Mr. Ed Harrison, Triumph Development for a replat to Lots 20R, 21R and 22R, Block A, in the Ovilla Creek Estates Subdivision, Ovilla, TX 75154.
 - a. **Presentation** of Request for replat from Mr. Ed Harrison.
 - b. **PUBLIC HEARING** to receive comments from the public regarding the request.
 - c. **DISCUSSION/ACTION** – Replat 201415.002. Consideration of and action on the request filed by Mr. Ed Harrison of Triumph Development to replat Lots 20R, 21R and 22R, Block A, Ovilla Creek Estates Subdivision, Ovilla, TX 75154.

V. REGULAR AGENDA

2. **DISCUSSION/ACTION** – **Consideration** of and action on a Meritorious Exception request filed by Mr. Ed Harrison of E.C. Harrison Properties, Inc., to place an 8x8x2 monument sign at the southwest corner of 105 Ovilla Creek Court, the location of E.C. Harrison Properties, Inc. multi-tenant office building.
3. **DISCUSSION/ACTION** – **Consideration** of and action on Resolution R2015-004 authorizing the Mayor to renew an agreement by and between the City of Ovilla and the Ashburne Glen Home Owner's Association (HOA), for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.
4. **DISCUSSION/ACTION** – **Consideration** of and action on Resolution R2015-005 authorizing the Mayor to renew an agreement between the City of Ovilla and the Meadow Glen Home Owner's Association (HOA), for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.
5. **DISCUSSION/ACTION** – **Consideration** of and action on Resolution R2015-006 authorizing the Mayor to execute an agreement by and between the State of Texas, acting through the Texas Department of Transportation and the City of Ovilla, for the city's contribution of right-of-way funds, payable in incremental payments, for the project on Highway FM664 from Westmoreland Road to IH 35E.
6. **DISCUSSION/ACTION** – **Consideration** of and action on Resolution R2015-007 authorizing the Mayor to execute a Bank Depository Services Agreement by and between the City of Ovilla and Prosperity Bank for depository services effective June 01, 2015.
7. **DISCUSSION/ACTION** – **Consideration** of and action on Ordinance 2015-009, Amending Section 4.00 City Depository of Chapter 1, General Provisions, Ovilla City Code; Providing that this Ordinance shall be cumulative of all ordinances; Providing a severability clause; Providing a savings clause; Providing for publication in the official newspaper; and providing an effective date.
8. **DISCUSSION/ACTION** – Consideration of and action on the appointment of a City Council Scholarship Committee and setting a date, time, and location to review the applications.
9. **DISCUSSION/ACTION** – **Consideration** of and action on Ordinance 2015-010, of the City of Ovilla, Texas, repealing Appendix A "Fee Schedule" Section A6.000 (A), of the City of Ovilla Code of Ordinances, and replacing same with a new Section A6.000, Providing new Fire Inspection Fees; Providing a savings clause; Providing a severance clause; Proving for incorporation into the Ovilla Code of Ordinances; Providing for immediate effect; and Providing for publication.

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VI. EXECUTIVE SESSION

The City Council of the City of Ovilla, Texas, reserves the right to meet in a closed session on any item listed on this Agenda should the need arise, pursuant to authorization by Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), 551.087 (economic development), 418.183 (homeland security).

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

VI. REQUESTS FOR FUTURE AGENDA ITEMS AND/OR ANNOUNCEMENTS BY COUNCIL AND STAFF

VII. ADJOURNMENT

THIS IS TO CERTIFY THAT A COPY OF THE NOTICE OF the March 09, 2015 Regular City Council Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.cityofovilla.org, on the 6th day of March 2015 prior to 6:00 p.m., in compliance with Chapter 551, Texas Government Code.





Pamela Woodall, City Secretary

DATE OF POSTING: 3-6-2015 TIME: 11:00 am/pm
DATE TAKEN DOWN: _____ TIME: _____ am/pm

This facility is ADA compliant. If you plan to attend this public meeting and have a disability that requires special arrangements, please call 972-617-7262 at least 48 hours in advance. Reasonable accommodation will be made to assist your needs. PLEASE SILENCE ALL PAGERS, CELL PHONES & OTHER ELECTRONIC EQUIPMENT WHILE THE CITY COUNCIL MEETING IS IN SESSION.

PROCLAMATION



March for Meals Month

WHEREAS, on March 22, 1972, President Richard Nixon signed into law a measure that amended the Older Americans Act of 1965 and established a national nutrition program for seniors 60 years and older;

WHEREAS, Meals on Wheels America established the National March for Meals Campaign in March 2002 to recognize the historic month, the importance of Older Americans Act Nutrition Programs – both congregate and home-delivered – and raise awareness about the escalating problem of senior hunger in America;

WHEREAS, the 2015 observance of the March for Meals campaign provides an opportunity to support Meals on Wheels programs that deliver vital and critical services by donating, volunteering and raising awareness about senior hunger and isolation;

WHEREAS, Older Americans Act Nutrition Programs – both congregate and home-delivered – in TEXAS have served our communities admirably for more than 40 years; and

WHEREAS, volunteer drivers for Meals on Wheels programs in TEXAS are the backbone of the program and they not only deliver nutritious meals to homebound seniors and individuals with disabilities, but also caring concern and attention to their welfare;

WHEREAS, Meals on Wheels programs in TEXAS provide nutritious meals to seniors throughout the State and help them maintain their health and independence and avoid unnecessary hospitalizations and/or premature institutionalization;

WHEREAS, Meals on Wheels programs in TEXAS provide a powerful socialization opportunity for millions of seniors to help combat loneliness and isolation;

WHEREAS, Meals on Wheels programs in OVILLA, TEXAS deserve recognition for the contributions they have made and will continue to make to local communities, our State and our Nation; and

NOW THEREFORE, I of MAYOR OF OVILLA, TEXAS do hereby proclaim March 2015 as March for Meals Month.

The governing body of the City of Ovilla urges every citizen to take time this month to honor our Meals on Wheels programs, the seniors they serve and the volunteers who care for them. Our recognition of, and involvement in, the national 2015 March for Meals campaign can enrich our entire community and help combat senior hunger and isolation in America.

Dated this 09 DAY of MARCH 2015

RICHARD DORMIER, MAYOR OF OVILLA

OVILLA POLICE DEPARTMENT
 105 S Cockrell Hill Rd
 Ovilla, TX 75154
 (972) 617-7262

To: Mayor Richard Dormier
 Ovilla City Council
 Cyndy Powell

Subject: Police Department Monthly Activity Report

	FEB 2015	FEB 2015 YTD	FEB 2014	FEB 2014 YTD
Calls For Service				
Accident	4	4	0	1
Alarms	7	22	11	30
Arrest	4	9	3	6
Assault	0	0	0	0
Assists: Agency/Unit:31 EMS/Fire:4 Motorist:2	37	72	10	28
Building / House Security Check	983	2396	861	2160
Burgulary	0	0	1	1
Burgulary of Motor Vehicle	0	0	0	0
Criminal Mischief	1	2	0	1
Disturbance	3	15	6	11
Neighborhood Check	1393	3185	808	2383
Other Calls for Service	122	268	72	177
Suspicious Person	1	6	3	9
Suspicious Vehicle	14	32	6	17
Theft	2	3	1	3
Traffic Assignment	11	42	8	11
TOTAL CALLS FOR SERVICE	2582	6056	1790	4838

Reserve Officer Hours	42.25	62.25	64	136.5
Average Response Time (Minutes)	3.32	3.71	4.24	4.22
Traffic Stop (Warnings)	52	124	29	58
Traffic Stop (Citations)	21	63	31	49
Total Citations & Warnings Combined	73	187	60	107
PERCENT OF STOPS RECEIVING CITATIONS	28.8	33.7	51.7	45.8

OVILLA PD VEHICLE MILEAGE

January-15		February-15		March-15		April-15		May-15		June-15		July-15		August-15		September-15		October-15	
Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued
100	88931	90026	1095	100	90026	90343.6		100	90026	90343.6		100	90026	90343.6		100	90026	90343.6	317.6
102	91093	92394	1301	102	92394	94221		102	92394	94221		102	92394	94221		102	92394	94221	1827
103	104345	106623	2278	103	106623	108745		103	106623	108745		103	106623	108745		103	106623	108745	2122
104	66588.4	67413.5	825.1	104	67413.5	68336.5		104	67413.5	68336.5		104	67413.5	68336.5		104	67413.5	68336.5	923
105	54522	56476	1954	105	56476	57996.2		105	56476	57996.2		105	56476	57996.2		105	56476	57996.2	1520.2
March-15				April-15				May-15				June-15				July-15			
Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued
100			0	100			0	100			0	100			0	100			0
102			0	102			0	102			0	102			0	102			0
103			0	103			0	103			0	103			0	103			0
104			0	104			0	104			0	104			0	104			0
105			0	105			0	105			0	105			0	105			0
Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued
100			0	100			0	100			0	100			0	100			0
102			0	102			0	102			0	102			0	102			0
103			0	103			0	103			0	103			0	103			0
104			0	104			0	104			0	104			0	104			0
105			0	105			0	105			0	105			0	105			0
Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued
100			0	100			0	100			0	100			0	100			0
102			0	102			0	102			0	102			0	102			0
103			0	103			0	103			0	103			0	103			0
104			0	104			0	104			0	104			0	104			0
105			0	105			0	105			0	105			0	105			0
Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued	Unit #	Beginning	Ending	Accrued
100			0	100			0	100			0	100			0	100			0
102			0	102			0	102			0	102			0	102			0
103			0	103			0	103			0	103			0	103			0
104			0	104			0	104			0	104			0	104			0
105			0	105			0	105			0	105			0	105			0

Ovilla City Council Monthly Report for Fire Department - February 2015

City of Ovilla Calls for Service	2014 Totals		2015 Totals
Fire 0		Fire 5	
EMS 17	17	EMS 27	32
ESD #2 Calls for Service			
Fire 3		Fire 4	
EMS 8	11	EMS 8	12
ESD #4 Calls for Service			
Fire 0		Fire 1	
EMS 1	1	EMS 6	7
Mutual Aid Provided			
Fire 5		Fire 15	
EMS 0	5	EMS 0	15
Total Calls For Service / Month			66
Total Calls For Service / YTD		590	130

	Time from Notify to Time On Scene		Reaction Times	
	Last Month	This Month	Last Month	This Month
Average Response Times for City of Ovilla	5:25	5:32		
Average Response Times for ESD # 2	9:56	9:13	E-701	1:53
Average Response Times for ESD # 4	7:35	8:42	E-702	2:04

From The Fire Marshal

- 3-Final Inspections
- 3-Consults
- 1-Follow up
- 1-Structure Fire Investigation

Fire Department News For the Month

1. Staff Meeting with all Fire Personnel
2. Working on assigning set shifts to establish more consistency in the Station, and better service in the community. Plan to start new schedule in May.
3. Working with CareFlite on service to ESD #4
4. Repairs to E-702 (Drive shaft and yoke repair to CAFS unit.)



Date: March 3, 2015

TO: Honorable Mayor and City Council Members

FROM: Brad Piland Public Works Director

TOPIC: Public Works Monthly Report for February

- Sewer Lift Station Repairs-
 - Pulled pump 1 at Highland Meadows Lift Station
 - Removed pump 1 from Cumberland
 - Read water meters, serviced disconnects and reconnects
 - Replaced meters
 - Cardinal
 - Repaired potholes and shoulder on Shiloh Road, Main Street, Johnson Lane
 - Repairs to Ashburne Glen Park
 - Repaired and replaced 6 Street signs
 - Updated marquee as needed
 - Daily water maintenance residual and pressure tests
 - Tree and grass maintenance:
 - Heritage Park
 - Silver Spur Park
 - Baseball fields and Cindy Jones Park

 - Repaired water leaks
 - 616 Georgetown
 - 100 Block of Brookwood
 - Repaired sewer main at 406 Montpelier
 - ❖ Jimmy Bryan -
 - Serviced PD Units: 102,104,105
 - Service 2008 Chevrolet public works truck
- **Flushed Hydrants**
- Collect water samples for TCEQ reporting
 - Water Maintenance – routine flushing mains and hydrant
 - Meter Box repair and replace lids as needed
- **Watered plants at City Hall and park**



DATE: MARCH 9, 2015

TO: Honorable Mayor and Council Members

FROM:
Linda Harding, Accountant

SUBJECT: Financial Statements Thru January 2015

**City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015**

	Current	Year to Date		\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015	Budget	(Under)	Thru January
				Budget	33%
Revenues					
4000100 · Taxes					
4000105 · Ad Valorem, Current	263,690	1,117,513	1,309,020	(191,507)	85%
4000110 · Ad Valorem, Delinquent	1,152	9,620	8,000	1,620	120%
4000113 · Interest/Penalties - Prop Tax	375	5,147	6,800	(1,653)	76%
4000120 · Sales Tax	11,422	49,609	198,200	(148,591)	25%
4000125 · Sales Tax - Street Improvement	2,856	12,402	49,100	(36,698)	25%
4000130 · Franchise Tax	8	6,014	150,000	(143,986)	4%
Total 4000100 · Taxes	279,503	1,200,305	1,721,120	(520,815)	70%
4000200 · Licenses and Permits					
4000208 · Building Permits					
4000210 · Residential Building Permits	4,209	35,446	60,000	(24,554)	59%
4000213 · Fire Inspection Permits	300	3,450	8,250	(4,800)	42%
4000214 · Misc Building Permits	1,071	5,266	11,000	(5,734)	48%
Total 4000208 · Building Permits	5,580	44,162	79,250	(35,088)	56%
4000230 · Plan Review Fee	842	7,328	12,000	(4,672)	61%
4000260 · Alarm Permits	255	495	2,400	(1,905)	21%
4000270 · Animal Tag Fees	168	420	2,000	(1,580)	21%
4000272 · Impound Fees	145	320	1,400	(1,080)	23%
4000290 · Misc Licenses and Permits	0	165	1,000	(835)	17%
Total 4000200 · Licenses and Permits	6,989	52,890	98,050	(45,160)	54%
4000400 · Charges for Services					
4000325 · ESD #2	0	0	160,000	(160,000)	0%
4000330 · ESD #4	6,248	6,248	18,745	(12,497)	33%
4000411 · Copies and Maps	0	7	100	(93)	7%
4000415 · Police Reports	0	12	150	(138)	8%
4000420 · Park Lights	0	0	350	(350)	0%
4000440 · Oak Leaf Animal Control	0	0	800	(800)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015	Budget	(Under)	Thru January
				Budget	33%
4000450 · Subdivision Fees	200	9,725	0	9,725	100%
4000480 · Solid Waste (Garbage)	14,775	71,680	200,000	(128,320)	36%
4000490 · Misc Charges for Services	500	1,255	2,500	(1,245)	50%
Total 4000400 · Charges for Services	21,723	88,927	382,645	(293,718)	23%
4000500 · Fines and Forfeitures					
4000535 · Omni Warrant Revenue	84	390	400	(10)	98%
4000510 · Fines - Police	5,191	20,254	85,500	(65,246)	24%
4000520 · Fines - Animal Control	0	244	1,000	(756)	24%
4000525 · Fines - Code Enforcement	0	572	2,000	(1,428)	29%
4000550 · Municipal Court Technology	152	427	0	427	100%
4000551 · Municipal Court Security	114	320	0	320	100%
4000590 · Misc Fines and Forfeitures	0	0	400	(400)	0%
Total 4000500 · Fines and Forfeitures	5,540	22,207	89,300	(87,093)	25%
4000800 · Other Revenue					
4000810 · Heritage Day	0	1,085	9,000	(7,915)	12%
4000818 · Lease Proceeds	0	0	1,165	(1,165)	0%
4000820 · Water Tower Lease	4,067	20,092	92,000	(71,908)	22%
4000840 · Interest Earned	535	1,500	5,500	(4,000)	27%
4000870 · Insurance Proceeds	0	326	0	326	100%
4000885 · Proceeds from Sale of Assets	0	84,630	0	84,630	100%
4000887 · HOA Revenue	0	249	1,015	(766)	25%
4000890 · Misc Other Revenue	681	1,527	4,000	(2,473)	38%
Total 4000800 · Other Revenue	5,283	109,410	112,660	(3,270)	97%
4000900 · Transfers In					
4000925 · Admin.Rev. received from 4B-EDC	0	625	2,500	(1,875)	25%
4000930 · Admin. Rev. Rec. From W&S Fund	0	29,661	125,361	(95,700)	24%
4000940 · Admin.Rev. Rec. from MDD Fund	0	125	500	(375)	25%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
4000990 · Reduction in Fund Balance	0	0	163,300	(163,300)	0%
Total Revenues	319,039	1,504,150	2,695,456	(1,191,306)	56%
Gross Resources	319,039	1,504,150	2,695,456	(1,191,306)	56%
Expenditures					
10 · Administration					
5101100 · Salaries & Wages					
5101110 · City Administrator	19,544	33,909	61,800	(27,891)	55%
5101115 · City Secretary	6,061	15,153	39,397	(24,244)	38%
5101117 · City Accountant	5,705	14,095	36,000	(21,905)	39%
5101120 · Admin. Support	3,432	8,476	21,653	(13,177)	39%
5101180 · Merit Raises, Staff	0	0	4,800	(4,800)	0%
Total 5101100 · Salaries & Wages	34,741	71,633	163,650	(92,017)	44%
5101400 · Support Staff					
5101490 · Overtime	0	0	625	(625)	0%
Total 5101400 · Support Staff	0	0	625	(625)	0%
5102100 · Employee Benefits					
5102112 · Affordable Health Care Act Fee	0	0	4,000	(4,000)	0%
5102110 · Group Insurance	2,520	10,098	20,895	(10,797)	48%
5102135 · TMRS	3,106	5,910	15,000	(9,090)	39%
5102160 · Worker's Compensation	550	726	610	116	119%
5102170 · Payroll Taxes	497	1,197	3,140	(1,943)	38%
5102180 · Unemployment Taxes	2,614	2,614	1,000	1,614	261%
5102196 · Indiv. Membership Dues	0	175	1,500	(1,325)	12%
Total 5102100 · Employee Benefits	9,288	20,721	46,145	(25,424)	45%
5102200 · Special Services					
5102210 · Tax Assessing & Collecting Fees	0	0	1,570	(1,570)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

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	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5102220 · Tax Appraisal Fee	0	13,737	14,000	(263)	98%
5102230 · Legal Fees	1,110	4,088	25,000	(20,913)	16%
5102240 · Audit	0	5,050	7,605	(2,555)	66%
5102250 · Accounting	0	271	2,000	(1,729)	14%
5102260 · Engineering Fees	622	622	1,000	(378)	62%
Total 5102200 · Special Services	1,732	23,767	51,175	(27,408)	46%
5102300 · Contractual Services					
5102310 · Consultant Fees	3,258	7,291	20,000	(12,709)	36%
Total 5102300 · Contractual Services	3,258	7,291	20,000	(12,709)	36%
5102500 · Operating Services					
5102530 · Custodial Service Contract	265	1,060	3,600	(2,540)	29%
Total 5102500 · Operating Services	265	1,060	3,600	(2,540)	29%
5102600 · Special Expenses					
5102610 · Election - Payroll	0	0	850	(850)	0%
5102620 · Election - Supplies	52	52	2,500	(2,448)	2%
5102630 · Election Meeting Expense	0	0	100	(100)	0%
5102650 · Codification Book Update	375	375	3,300	(2,925)	11%
Total 5102600 · Special Expenses	427	427	6,750	(6,323)	6%
5103100 · General Supplies					
5103110 · Office Supplies	909	2,408	6,000	(3,592)	40%
5103140 · Uniforms	0	0	250	(250)	0%
Total 5103100 · General Supplies	909	2,408	6,250	(3,842)	39%
5103400 · Maintenance Supplies / Parts					
5103410 · Supplies - Custodial	98	168	1,200	(1,032)	14%
5103440 · Maintenance Agreement Expense	0	0	400	(400)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5103460 · Miscellaneous	0	12	100	(88)	12%
Total 5103400 · Maintenance Supplies / Parts	98	180	1,700	(1,520)	11%
5104200 · Travel Expenses					
5104210 · Travel - Local	62	62	500	(438)	12%
5104220 · Professional Development	-404	2,389	5,000	(2,611)	48%
5104222 · Professional Develop - Council	0	252	1,200	(948)	21%
5104225 · City Council Meal Expense	9	9	1,200	(1,191)	1%
5104230 · Professional Develop - In-House	0	0	200	(200)	0%
Total 5104200 · Travel Expenses	-333	2,712	8,100	(5,388)	33%
5105200 · Data Processing Expenses					
5105230 · Data Proc-Maintenance & Repair	180	3,462	6,000	(2,538)	58%
5105240 · Data Processing - Software	1,405	4,021	10,000	(5,979)	40%
Total 5105200 · Data Processing Expenses	1,586	7,483	16,000	(8,517)	47%
5105300 · Printing Expense					
5105310 · Copier Expense	440	1,701	3,300	(1,599)	52%
5105320 · Printing - Newsletters	0	783	4,400	(3,617)	18%
5105330 · Printing - Forms	0	0	1,000	(1,000)	0%
5105350 · Printing - Other	9	437	500	(64)	87%
Total 5105300 · Printing Expense	449	2,921	9,200	(6,279)	32%
5105400 · Utilities					
5105410 · Telephone	109	436	1,400	(964)	31%
5105415 · Cellular Phone	77	519	2,680	(2,161)	19%
5105417 · Internet	101	335	840	(505)	40%
5105420 · Wireless Cards	38	164	1,100	(936)	15%
5105450 · Electricity	322	1,250	4,635	(3,385)	27%
Total 5105400 · Utilities	647	2,705	10,655	(7,950)	25%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5105500 · Repairs & Bldg Improvements					
5105520 · Repairs - Buildings	63	118	3,000	(2,882)	4%
5105540 · Repairs - Machinery & Equipment	0	0	500	(500)	0%
5105590 · Repairs - Other	0	135	500	(365)	27%
Total 5105500 · Repairs & Bldg Improvements	63	253	4,000	(3,747)	6%
5105600 · Insurance					
5105610 · Insurance - Property	211	485	1,250	(765)	39%
5105620 · Insurance - Liability	267	534	1,067	(534)	50%
5105630 · Insurance - Fidelity Bond	0	300	300	0	100%
5105635 · Public Officials Surety Bonds	0	0	900	(900)	0%
Total 5105600 · Insurance	478	1,319	3,517	(2,198)	38%
5105700 · Other Expenses					
5105705 · Postage	632	2,502	5,000	(2,498)	50%
5105710 · Cash - Over/Short	0	0	10	(10)	0%
5105725 · Records Management Expense	0	0	300	(300)	0%
5105730 · City - Memberships	0	1,300	2,100	(800)	62%
5105740 · Legal Notices/Advertisement	3,225	3,903	4,000	(97)	98%
5105752 · Employment Screening	0	0	400	(400)	0%
5105760 · Bank Service Charge	0	10	25	(15)	40%
5105764 · Filing Fees	0	30	500	(470)	6%
5105765 · Miscellaneous	411	1,058	2,000	(942)	53%
Total 5105700 · Other Expenses	4,268	8,804	14,335	(5,531)	61%
5106400 · Minor Capital Outlay					
5106440 · Machinery & Equipment	0	0	2,000	(2,000)	0%
5106465 · Furniture	0	0	1,000	(1,000)	0%
Total 5109000 · Reserves	0	0	64,469	(64,469)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Total 10 · Administration	57,876	153,683	433,171	(279,488)	35%
20 · Police					
5201100 · Salaries & Wages					
5201120 · Police Chief	7,812	23,435	65,728	(42,293)	36%
5201143 · Command Staff	6,165	18,495	51,873	(33,378)	36%
5201150 · Certification Pay	277	831	2,400	(1,569)	35%
5201180 · Merit Raises - Staff	0	0	3,528	(3,528)	0%
Total 5201100 · Salaries & Wages	14,253	42,760	123,529	(80,769)	35%
5201400 · Support Salaries					
5201405 · Support Staff	2,762	8,287	23,234	(14,947)	36%
5201410 · Patrol	30,689	84,008	276,800	(192,792)	30%
5201415 · Certification Pay	104	346	5,100	(4,754)	7%
5201480 · Merit Raises	0	0	8,700	(8,700)	0%
5201490 · Overtime	1,683	4,957	7,200	(2,243)	69%
Total 5201400 · Support Salaries	35,238	97,599	321,034	(223,435)	30%
5202100 · Employee Benefits					
5202110 · Group Insurance	5,741	22,362	69,460	(47,098)	32%
5202135 · TMRS	4,246	9,445	27,000	(17,555)	35%
5202160 · Worker's Compensation	2,234	4,324	8,650	(4,326)	50%
5202170 · Payroll Taxes	837	2,159	7,400	(5,241)	29%
5202196 · Membership Dues	105	105	315	(210)	33%
Total 5202100 · Employee Benefits	13,163	38,395	112,825	(74,430)	34%
5202300 · Contractual Services					
5202355 · Contract Labor - Individual	0	80	500	(420)	16%
5202356 · Gingerbread House	0	1,000	1,000	0	100%
5202380 · Dispatch	0	6,938	13,875	(6,938)	50%
5202385 · Jail Expense	0	0	1,000	(1,000)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5202390 - Special Response Team	0	0	0	1,000	(1,000)	0%
5202395 - Contractual Services Other	0	0	0	1,000	(1,000)	0%
Total 5202300 - Contractual Services	0	8,018	8,018	18,375	(10,358)	44%
5202500 - Operating Services						
5202540 - Computer Maintenance	0	94	94	700	(606)	13%
5202660 - Internet Subscriptions	0	0	0	1,350	(1,350)	0%
Total 5202500 - Operating Services	0	94	94	2,050	(1,956)	5%
5202600 - Special Expenses						
5202675 - National Night Out	0	419	419	500	(81)	84%
Total 5202600 - Special Expenses	0	419	419	500	(81)	84%
5203100 - General Supplies						
5203110 - Office Supplies	0	646	646	1,500	(854)	43%
5203140 - Uniforms	0	1,227	1,227	3,500	(2,273)	35%
5203170 - Evidence Gathering	0	35	35	700	(666)	5%
Total 5203100 - General Supplies	0	1,908	1,908	5,700	(3,792)	33%
5203400 - Maintenance Supplies & Parts						
5203410 - Supplies - Custodial	0	249	249	600	(351)	42%
Total 5203400 - Maintenance Supplies & Parts	0	249	249	600	(351)	42%
5204200 - Travel Expenses						
5204210 - Travel - Local	0	0	0	300	(300)	0%
5204220 - Professional Development	80	767	847	2,000	(1,233)	38%
5204225 - Professional Dev - LEOSE	0	675	675	1,165	(490)	58%
5204270 - Vehicle Expenses	1,430	7,495	8,925	24,000	(16,505)	31%
Total 5204200 - Travel Expenses	1,510	8,937	8,937	27,465	(18,528)	33%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5205200 · Data Processing Expenses					
5205220 · Data Proc - Equipment Rental	0	0	400	(400)	0%
5205240 · Data Processing - Software	0	16,638	17,500	(862)	95%
Total 5205200 · Data Processing Expenses	0	16,638	17,900	(1,262)	93%
5205300 · Printing Expenses					
5205310 · Copier Expense	82	328	1,500	(1,172)	22%
5205330 · Printing - Forms	0	45	300	(255)	15%
5205350 · Printing - Other	0	58	400	(342)	14%
Total 5205300 · Printing Expenses	82	431	2,200	(1,769)	20%
5205400 · Utilities					
5205410 · Telephone	109	453	1,600	(1,147)	28%
5205415 · Cellular Phone	116	465	1,350	(885)	34%
5205417 · Internet - PD	101	369	1,475	(1,106)	25%
5205420 · Wireless Cards	228	912	2,350	(1,438)	39%
5205450 · Electricity	513	1,570	4,120	(2,550)	38%
Total 5205400 · Utilities	1,067	3,768	10,895	(7,127)	35%
5205500 · Repairs & Building Improvements					
5205520 · Repairs - Building	0	300	1,517	(1,217)	20%
5205540 · Repairs- Machinery & Equipment	0	283	1,200	(917)	24%
5205550 · Repairs - Vehicles	633	1,698	7,500	(5,802)	23%
Total 5205500 · Repairs & Building Improvements	633	2,281	10,217	(7,936)	22%
5205600 · Insurance					
5205610 · Insurance - Property	408	815	1,641	(826)	50%
5205620 · Insurance - Liability	1,284	2,567	5,140	(2,573)	50%
5205640 · Insurance - Vehicle	592	1,183	2,400	(1,217)	49%

City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
Total 5205600 · Insurance	2,283	4,565	9,181	(4,616)	50%	
5205700 · Other Expenses						
5205742 · Public Relations	0	0	200	(200)	0%	
5205752 · Employment Screening	0	360	1,000	(640)	36%	
5205765 · Miscellaneous	550	1,102	1,619	(517)	68%	
Total 5205700 · Other Expenses	550	1,462	2,819	(1,357)	52%	
5206400 · Minor Capital Outlay						
5206440 · Machinery & Equipment	0	1,753	1,150	603	152%	
5206445 · Personal Protective Equipment	0	730	2,000	(1,270)	36%	
Total 5206400 · Minor Capital Outlay	0	2,483	3,150	(667)	79%	
Total 20 · Police	68,780	230,006	668,440	(438,434)	34%	
25 · Municipal Court						
5251100 · Salaries & Wages						
5251140 · Municipal Judge	440	1,760	6,000	(4,240)	29%	
Total 5251100 · Salaries & Wages	440	1,760	6,000	(4,240)	29%	
5251400 · Support Staff						
5251405 · Support Staff	3,773	11,318	31,740	(20,422)	36%	
5251420 · Jury Fees	0	0	200	(200)	0%	
5251425 · City Prosecutor	536	2,092	8,500	(6,408)	25%	
5251480 · Merit Raises	0	0	952	(952)	0%	
5251490 · Overtime	29	29	1,400	(1,371)	2%	
Total 5251400 · Support Staff	4,339	13,440	42,792	(29,352)	31%	
5252100 · Employee Benefits						
5252110 · Group Insurance	630	2,525	6,950	(4,426)	36%	
5252135 · TMRS	340	770	2,200	(1,430)	35%	

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5252160 · Worker's Compensation	-110	-110	120	(230)	(92%)
5252170 · Payroll Taxes	55	165	475	(310)	35%
5252196 · Membership Dues	0	0	25	(25)	0%
Total 5252100 · Employee Benefits	915	3,349	9,770	(6,421)	34%
5252300 · Contractual Services					
5252375 · Traffic Fines	0	5,202	32,000	(26,798)	16%
Total 5252300 · Contractual Services	0	5,202	32,000	(26,798)	16%
5252500 · Operating Services					
5252540 · Computer Maintenance	0	0	75	(75)	0%
Total 5252500 · Operating Services	0	0	75	(75)	0%
5253100 · General Supplies					
5253110 · Office Supplies	0	0	150	(150)	0%
5253140 · Uniforms	0	0	50	(50)	0%
Total 5253100 · General Supplies	0	0	200	(200)	0%
5254200 · Travel Expenses					
5254210 · Travel - Local	0	0	25	(25)	0%
Total 5254200 · Travel Expenses	0	0	25	(25)	0%
5255200 · Data Processing Expenses					
5255240 · Data Processing - SW Maint.	0	1,860	1,860	(0)	100%
Total 5255200 · Data Processing Expenses	0	1,860	1,860	(0)	100%
5255300 · Printing Expense					
5255350 · Printing - Other	0	179	800	(621)	22%
Total 5255300 · Printing Expense	0	179	800	(621)	22%

City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5255600 · Insurance					
5255620 · Insurance - Liability	79	158	315	(158)	50%
Total 5255600 · Insurance	79	158	315	(158)	50%
5255700 · Other Expenses					
5255765 · Miscellaneous	0	0	100	(100)	0%
5255768 · Collection Agency Fees	656	1,039	1,400	(361)	74%
5255770 · Warrant Fee State Comptroller	0	0	900	(900)	0%
5255772 · Warrant Fee - Omni	54	170	400	(230)	42%
Total 5255700 · Other Expenses	710	1,209	2,800	(1,591)	43%
Total 25 · Municipal Court	6,482	27,156	96,637	(69,481)	28%
30 · Fire					
5301100 · Salaries & Wages					
5301125 · Fire Chief	2,732	12,567	41,375	(28,808)	30%
5301140 · Fire Captains	6,587	20,627	100,723	(80,096)	20%
5301180 · Merit Raises - Staff	0	0	4,263	(4,263)	0%
Total 5301100 · Salaries & Wages	9,319	33,195	146,361	(113,166)	23%
5301400 · Support Salaries					
5301440 · Firefighters	32,041	90,203	223,060	(132,857)	40%
5301480 · Merit Raises	0	0	6,692	(6,692)	0%
5301485 · Volunteer Incentive Program	1,555	6,653	15,600	(8,947)	43%
Total 5301400 · Support Salaries	33,596	96,856	245,352	(148,496)	39%
5302100 · Employee Benefits					
5302135 · TMRS	244	805	2,000	(1,195)	40%
5302137 · Volunteer Retirement	0	108	500	(392)	22%
5302160 · Worker's Compensation	-2,551	-517	8,350	(8,867)	(6%)

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under)	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5302170 · Payroll Taxes	2,994	8,733	27,000	(18,267)	32%	
5302196 · Membership Dues	25	580	1,900	(1,320)	31%	
Total 5302100 · Employee Benefits	712	9,709	39,750	(30,041)	24%	
5302300 · Contractual Services						
5302310 · Consultant Fees	0	13	1,500	(1,487)	1%	
5302380 · Dispatch	0	7,308	14,615	(7,308)	50%	
5302385 · Emergency Transport Service	15,890	31,780	66,257	(34,478)	48%	
Total 5302300 · Contractual Services	15,890	39,100	82,372	(43,272)	47%	
5302500 · Operating Services						
5302510 · Maintenance Agreements	0	1,257	11,705	(10,448)	11%	
5302540 · Computer Maintenance	0	75	1,500	(1,425)	5%	
5302570 · Warning System Maintenance	0	0	780	(780)	0%	
5302580 · Generator Maintenance	0	780	2,120	(1,340)	37%	
Total 5302500 · Operating Services	0	2,112	16,105	(13,993)	13%	
5302600 · Special Expenses						
5302675 · National Night Out	0	253	253	(0)	100%	
Total 5302600 · Special Expenses	0	253	253	(0)	100%	
5303100 · General Supplies						
5303110 · Office Supplies	84	348	1,600	(1,252)	22%	
5303140 · Uniforms	0	1,333	5,000	(3,667)	27%	
5303160 · Medical Supplies	591	2,288	5,000	(2,712)	46%	
5303165 · Medical Support	0	56	500	(444)	11%	
5303170 · Evidence Gathering	0	0	50	(50)	0%	
5303175 · Education Aids	0	0	50	(50)	0%	
Total 5303100 · General Supplies	675	4,025	12,200	(8,175)	33%	

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5303400 · Maintenance Supplies & Parts					
5303410 · Supplies - Custodial	115	655	2,200	(1,545)	30%
5303420 · Building Alarm Maintenance	420	420	420	0	100%
Total 5303400 · Maintenance Supplies & Parts	535	1,075	2,620	(1,545)	41%
5304200 · Travel Expenses					
5304220 · Professional Development	92	353	1,300	(947)	27%
5304270 · Vehicle Expenses	432	5,789	10,000	(4,211)	58%
Total 5304200 · Travel Expenses	524	6,141	11,300	(5,159)	54%
5305200 · Data Processing Expenses					
5305230 · Data Proc-Maintenance & Repair	0	38	1,000	(963)	4%
5305240 · Data Processing - Software	0	0	2,850	(2,850)	0%
Total 5305200 · Data Processing Expenses	0	38	3,850	(3,813)	1%
5305300 · Printing Expense					
5305310 · Copier Expense	464	1,165	3,100	(1,935)	38%
5305330 · Printing - Forms	17	17	100	(83)	17%
Total 5305300 · Printing Expense	482	1,182	3,200	(2,018)	37%
5305400 · Utilities					
5305410 · Telephone	213	901	2,350	(1,449)	38%
5305415 · Cellular Phone	0	0	525	(525)	0%
5305417 · Internet - Fire Dept.	380	1,626	3,600	(1,974)	45%
5305430 · Natural Gas	510	897	2,400	(1,503)	37%
5305450 · Electricity	421	1,636	5,562	(3,926)	29%
Total 5305400 · Utilities	1,523	5,062	14,437	(9,375)	35%
5305500 · Repairs & Bldg Improvements					
5305520 · Repairs - Building	629	1,965	2,800	(835)	70%
5305540 · Repairs - Machinery & Equipment	0	3,795	19,000	(15,205)	20%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5305545 · Repairs - Apparatus	3,947	4,337	12,000	(7,663)	36%
5305550 · Repairs - Vehicles	1,021	2,971	3,500	(529)	85%
Total 5305500 · Repairs & Bldg Improvements	5,597	13,068	37,300	(24,232)	35%
5305600 · Insurance					
5305620 · Insurance - Liability	357	713	6,500	(5,787)	11%
5305640 · Insurance - Vehicle	2,209	4,744	10,200	(5,456)	47%
Total 5305600 · Insurance	2,566	5,457	16,700	(11,243)	33%
5305700 · Other Expenses					
5305705 · Postage	0	7	50	(43)	14%
5305752 · Employment Screening	0	32	165	(133)	19%
5305765 · Flags & Miscellaneous	0	85	100	(15)	85%
Total 5305700 · Other Expenses	0	125	315	(190)	40%
5306400 · Minor Capital Outlay					
5306440 · Machinery & Equipment	0	1,574	10,300	(8,726)	15%
5306445 · Personal Protective Equipment	805	2,704	20,247	(17,544)	13%
Total 5306400 · Minor Capital Outlay	805	4,277	30,547	(26,270)	14%
Total 30 · Fire	72,223	221,673	662,662	(440,989)	33%
40 · Community Services					
5401100 · Salaries & Wages					
5401135 · ACO/Code Enforcement Officer	4,754	14,303	40,000	(25,697)	36%
5401180 · Merit Raises - Staff	0		1,200	(1,200)	0%
5401190 · Overtime	401	1,263	2,850	(1,587)	44%
Total 5401100 · Salaries & Wages	5,156	15,566	44,050	(28,484)	35%
5402100 · Employee Benefits					
5402110 · Group Insurance	350	1,400	6,960	(5,560)	20%
5402135 · TMRS	467	1,068	2,800	(1,732)	38%

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October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5402160 · Worker's Compensation	98	157	245	(88)	64%	
5402170 · Payroll Taxes	81	249	600	(351)	42%	
5402190 · License	0	150	625	(475)	24%	
Total 5402100 · Employee Benefits	996	3,024	11,230	(8,206)	27%	
5402300 · Contractual Services						
5402315 · Contract Building Inspections	5,388	23,624	46,800	(23,176)	50%	
5402370 · Impound Fees	50	450	1,400	(950)	32%	
Total 5402300 · Contractual Services	5,438	24,074	48,200	(24,126)	50%	
5402600 · Special Expenses						
5402680 · Environmental Testing	500	500	2,300	(1,800)	22%	
5402685 · Clean up Day	0	0	100	(100)	0%	
Total 5402600 · Special Expenses	500	500	2,400	(1,900)	21%	
5403100 · General Supplies						
5403110 · Office Supplies	0	0	50	(50)	0%	
5403120 · Animal Care	0	0	150	(150)	0%	
5403122 · Pet Supplies	11	153	500	(347)	31%	
5403140 · Uniforms	140	285	350	(65)	81%	
Total 5403100 · General Supplies	151	438	1,050	(612)	42%	
5403400 · Maintenance Supplies & Parts						
5403460 · Miscellaneous	0	98	100	(2)	98%	
Total 5403400 · Maintenance Supplies & Parts	0	98	100	(2)	98%	
5404200 · Travel Expenses						
5404210 · Travel - Local	0	0	25	(25)	0%	
5404220 · Professional Development	0	0	200	(200)	0%	
5404270 · Vehicle Expenses	73	452	2,200	(1,748)	21%	
Total 5404200 · Travel Expenses	73	452	2,425	(1,973)	19%	

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	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5405200 · Data Processing Expenses					
5405230 · Data Proc-Maintenance & Repairs	0	0	1,080	(1,080)	0%
Total 5405200 · Data Processing Expenses	0	0	1,080	(1,080)	0%
5405300 · Printing Expense					
5405330 · Printing - Forms	0	0	150	(150)	0%
Total 5405300 · Printing Expense	0	0	150	(150)	0%
5405400 · Utilities					
5405415 · Cellular Phone	79	318	550	(232)	58%
Total 5405400 · Utilities	79	318	550	(232)	58%
5405600 · Insurance					
5405610 · Insurance - Property	2	4	8	(4)	50%
5405620 · Insurance - Liability	53	106	215	(109)	49%
5405640 · Insurance - Vehicle	66	132	300	(169)	44%
Total 5405600 · Insurance	121	242	523	(282)	46%
5405700 · Other Expenses					
5405765 · Miscellaneous	30	30	100	(70)	30%
Total 5405700 · Other Expenses	30	30	100	(70)	30%
5406400 · Minor Capital Outlay					
5406440 · Machinery & Equipment	0	43	2,700	(2,657)	2%
Total 5406400 · Minor Capital Outlay	0	43	2,700	(2,657)	2%
Total 40 · Community Services	12,543	44,784	114,558	(69,774)	39%
45 · Solid Waste					
5455400 · Utilities					
5455465 · Solidwaste Pickup (Garbage)	16,692	66,768	204,661	(137,893)	33%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Total 5455400 · Utilities	16,692	66,768	204,661	(137,893)	33%
Total 45 · Solid Waste	16,692	66,768	204,661	(137,893)	33%
50 · Streets					
5501400 · Support Staff					
5501415 · Maintenance Crew	2,906	8,522	24,044	(15,522)	35%
5501480 · Merit Raises	0	0	721	(721)	0%
5501490 · Overtime	214	697	1,575	(878)	44%
5501500 · Streets - On Call	150	250	700	(450)	36%
Total 5501400 · Support Staff	3,270	9,469	27,040	(17,571)	35%
5502100 · Employee Benefits					
5502110 · Group Insurance	630	2,525	6,960	(4,436)	36%
5502135 · TMRS	292	651	1,700	(1,049)	38%
5502160 · Worker's Compensation	91	415	1,340	(925)	31%
5502170 · Payroll Taxes	46	135	360	(225)	37%
5502190 · License	0	0	122	(122)	0%
Total 5502100 · Employee Benefits	1,060	3,726	10,482	(6,756)	36%
5502200 · Special Services					
5502280 · NCTCOG- SWMP Fees	0	1,556	6,400	(4,844)	24%
Total 5502200 · Special Services	0	1,556	6,400	(4,844)	24%
5502600 · Special Expenses					
5502620 · Emergency Clean Up	0	0	2,250	(2,250)	0%
Total 5502600 · Special Expenses	0	0	2,250	(2,250)	0%
5503100 · General Supplies					
5503110 · Office Supplies	0	0	100	(100)	0%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5503140 · Uniforms	0	425	500	(75)	85%	
Total 5503100 · General Supplies	0	425	600	(175)	71%	
5503400 · Maintenance Supplies & Parts						
5503405 · Drainage Maintenance	0	0	500	(500)	0%	
5503420 · Supplies - Street Signs	180	439	2,000	(1,561)	22%	
5503460 · Miscellaneous	0	0	300	(300)	0%	
Total 5503400 · Maintenance Supplies & Parts	180	439	2,800	(2,361)	16%	
5504200 · Travel Expenses						
5504220 · Professional Development	0	0	500	(500)	0%	
5504270 · Vehicle Expenses	53	566	6,500	(5,934)	9%	
Total 5504200 · Travel Expenses	53	566	7,000	(6,434)	8%	
5505300 · Printing Expense						
5505350 · Printing - Other	0	311	350	(39)	89%	
Total 5505300 · Printing Expense	0	311	350	(39)	89%	
5505400 · Utilities						
5505450 · Electricity	3,823	15,001	45,000	(29,999)	33%	
Total 5505400 · Utilities	3,823	15,001	45,000	(29,999)	33%	
5505500 · Repairs & Bldg Improvements						
5405520 · Repairs - Building	0	0	500	(500)	0%	
5505540 · Repairs - Machinery & Equipment	0	38	3,500	(3,462)	1%	
5505550 · Repairs - Vehicles	421	421	2,400	(1,979)	18%	
5505560 · Repairs -Street Maint.& Repairs	1,280	3,336	50,000	(46,664)	7%	
5505565 · Repairs - Infrastruct Drainage	0	0	3,000	(3,000)	0%	
5505590 · Repairs - Other	0	0	1,500	(1,500)	0%	
Total 5505500 · Repairs & Bldg Improvements	1,701	3,794	60,900	(57,106)	6%	

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5505600 · Insurance					
5505620 · Insurance - Liability	285	569	1,140	(571)	50%
5505640 · Insurance - Vehicle	865	1,867	3,460	(1,593)	54%
Total 5505600 · Insurance	1,149	2,436	4,600	(2,164)	53%
5505700 · Other Expenses					
5505752 · Employment Screening	0	5	150	(145)	3%
Total 5505700 · Other Expenses	0	5	150	(145)	3%
5506400 · Minor Capital Outlay					
5506440 · Machinery & Equipment	430	430	3,000	(2,570)	14%
5506445 · Personal Protective Equipment	0	0	300	(300)	0%
5506490 · Other	0	0	850	(850)	0%
Total 5506400 · Minor Capital Outlay	430	430	4,150	(3,720)	10%
5507400 · Capitalized Assets					
5507440 · Machinery & Equipment	0	0	7,000	(7,000)	0%
5507460 · Infrastructure	0	7,500	313,200	(305,700)	2%
Total 5507400 · Capitalized Assets	0	7,500	320,200	(312,700)	2%
Total 50 · Streets	11,666	45,660	491,922	(446,262)	9%
60 · Parks					
5602400 · Rentals					
5602490 · Rental - Other	0	838	2,900	(2,062)	29%
Total 5602400 · Rentals	0	838	2,900	(2,062)	29%
5602600 · Special Expenses					
5602680 · Heritage Day	0	470	8,000	(7,530)	6%

City of Ovilla General Fund
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Total 5602600 · Special Expenses	0	470	8,000	(7,530)	6%
5603400 · Maintenance Supplies & Parts					
5603460 · Miscellaneous	0	0	300	(300)	0%
Total 5603400 · Maintenance Supplies & Parts	0	0	300	(300)	0%
5605400 · Utilities					
5605450 · Electricity	595	2,554	8,300	(5,746)	31%
Total 5605400 · Utilities	595	2,554	8,300	(5,746)	31%
5605500 · Repairs & Bldg Improvements					
5605520 · Repairs - Building	0	0	250	(250)	0%
5605530 · REPAIRS-IMP OTHER THAN BLDGS	123	344	1,000	(656)	34%
Total 5605500 · Repairs & Bldg Improvements	123	344	1,250	(906)	28%
5605600 · Insurance					
5605610 · Insurance - Property	28	57	115	(59)	49%
5605620 · Insurance - Liability	120	241	500	(260)	48%
5605640 · Insurance - Vehicle	55	111	240	(130)	46%
Total 5605600 · Insurance	204	408	855	(448)	48%
5605700 · Other Expenses					
5605765 · Miscellaneous	0	101	300	(199)	34%
Total 5605700 · Other Expenses	0	101	300	(199)	34%
5606400 · Minor Capital Outlay					
5606410 · Land Improvements	0	0	500	(500)	0%
5606440 · Machinery & Equipment	0	0	500	(500)	0%
Total 5606400 · Minor Capital Outlay	0	0	1,000	(1,000)	0%
5607400 · Capitalized Assets					

**City of Ovilla General Fund
Profit & Loss Budget Performance
October 2014 through January 2015**

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5607440 • Machinery & Equipment	0	90	500	(410)	18%
Total 5607400 • Capitalized Assets	0	90	500	(410)	18%
Total 60 • Parks	922	4,805	23,405	(18,600)	21%
Total Expenditures	247,185	794,534	2,695,456	(1,900,922)	29%
Net Change in Fund Balance	71,854	709,615	0	709,615	100%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Resources					
4000400 · Charges for Services					
4000460 · Water Sales	51,907	328,887	930,000	(601,113)	35%
4000461 · Sewer Service	21,400	124,630	391,569	(266,939)	32%
4000465 · Water & Sewer Penalties	1,542	7,610	18,000	(10,390)	42%
4000471 · Reconnect Fees	578	1,861	5,000	(3,139)	37%
4000472 · Meters	0	1,725	1,000	725	173%
4000473 · Connect Fees	200	900	2,000	(1,100)	45%
4000478 · Infrastructure Improvement Fee	4,533	18,792	60,000	(41,208)	0
4000480-Solid Waste Fees (Garbage)	2,330	0	0	0	0%
Total 4000400 · Charges for Services	82,491	484,405	1,407,569	(923,164)	34%
4000800 · Other Revenue					
4000880 · Capital Rec Fee	2,500	23,750	37,500	(13,750)	63%
4000840 · Interest Earned	268	1,045	2,600	(1,555)	40%
4000890 · Misc Other Revenue	0	1,500	1,000	500	150%
Total 4000800 · Other Revenue	2,768	26,295	41,100	(14,805)	64%
Total Resources	85,259	510,700	1,448,669	(937,969)	35%
Expense					
70 · Administration					
5701100 · Salaries & Wages					
5701110 · City Administrator	0	4,754	20,600	(15,846)	23%
5701115 · City Secretary	0	3,031	13,133	(10,102)	23%
5701117 · Finance Accountant	0	2,797	12,000	(9,203)	23%
5701120 · Part Time Admin. Support	0	1,716	7,218	(5,502)	24%
5701130 · Public Works Director	6,045	18,134	50,862	(32,728)	36%
5701180 · Merit Raises, Staff	0	0	3,200	(3,200)	0%
Total 5701100 · Salaries & Wages	6,045	30,432	107,013	(76,581)	28%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5702100 · Employee Benefits					
5702110 · Group Insurance	630	2,525	6,960	(4,436)	36%
5702135 · TMRS	547	1,244	3,400	(2,156)	37%
5702170 · Payroll Taxes	88	263	780	(517)	34%
Total 5702100 · Employee Benefits	1,264	4,031	11,140	(7,109)	36%
5702200 · Special Services					
5702230 · Legal Fees	0	0	1,000	(1,000)	0%
5702240 · Audit	0	5,050	5,780	(730)	87%
5702250 · Accounting	0	107	1,000	(893)	11%
Total 5702200 · Special Services	0	5,157	7,780	(2,623)	66%
5702300 · Contractual Services /Personnel					
5702310 · Consultant Fees	2,912	2,912	3,500	(588)	83%
Total 5702300 · Contractual Services /Personnel	2,912	2,912	3,500	(588)	83%
5703100 · General Supplies					
5703110 · Office Supplies	100	375	700	(325)	54%
Total 5703100 · General Supplies	100	375	700	(325)	54%
5703400 · Maintenance Supplies / Parts					
5703410 · Supplies - Custodial	0	0	200	(200)	0%
Total 5703400 · Maintenance Supplies / Parts	0	0	200	(200)	0%
5704200 · Travel Expenses					
5704210 · Travel - Local	0	164	200	(36)	82%
5704220 · Professional Development	0	0	750	(750)	0%
Total 5704200 · Travel Expenses	0	164	950	(786)	17%
5705200 · Data Processing Expenses					

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5705240 · Data Processing - Software	0	0		400	(400)	0%
Total 5705200 · Data Processing Expenses	0	0		400	(400)	0%
5705300 · Printing Expense						
5705350 · Printing - Other	0	0		250	(250)	0%
Total 5705300 · Printing Expense	0	0		250	(250)	0%
5705400 · Utilities						
5705410 · Telephone	109	436		1,350	(914)	32%
5705415 · Cellular Phone	74	298		450	(152)	66%
5705417 · Internet	101	335		825	(490)	41%
Total 5705400 · Utilities	284	1,069		2,625	(1,556)	41%
5705700 · Other Expenses						
5705705 · Postage	1,142	2,869		6,600	(3,731)	43%
5705740 · Advertising	0	0		300	(300)	0%
5705760 · Bank Service Charge	20	(95)		200	(295)	(47%)
5705765 · Miscellaneous	0	0		100	(100)	0%
5705775 · Credit Card Transaction Fee	(821)	577		3,000	(2,423)	19%
Total 5705700 · Other Expenses	341	3,352		10,200	(6,848)	33%
5706400 · Minor Capital Outlay						
5706440 · Machinery & Equipment	0	0		500	(500)	0%
Total 5706400 · Minor Capital Outlay	0	0		500	(500)	0%
5709000 · Reserve						
5708215 · Admin. Exp. to General Fund	0	29,661		125,361	(95,700)	24%
5709002 · Capital Improv. Water Reserve	0	0		16,730	(16,730)	0%
5709003 · Capital Improv. Sewer Reserve	0	0		23,400	(23,400)	0%
5709010 · Administrative Reserves	0	0		5,700	(5,700)	0%
Total 5709000 · Reserve	0	29,661		171,191	(141,530)	17%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Total 70 · Administration	10,946	77,152	316,449	(239,297)	24%
75 · Water					
5751100 · Salaries & Wages					
5751133 · Superintendent	4,731	14,192	42,000	(27,808)	34%
5751180 · Merit Raises - Staff	0	0	1,260	(1,260)	0%
Total 5751100 · Salaries & Wages	4,731	14,192	43,260	(29,068)	33%
5751400 · Support Salaries					
5751405 · Support Staff	4,668	11,384	29,702	(18,318)	38%
5751415 · Maintenance Crew	3,604	11,467	51,350	(39,883)	22%
5751430 · Seasonal Crew	0	0	3,000	(3,000)	0%
5751450 · Certification Pay	104	312	1,200	(888)	26%
5751480 · Merit Raises	0	0	2,432	(2,432)	0%
5751490 · Overtime	0	206	4,000	(3,794)	5%
5751500 · Water - On Call	0	0	1,000	(1,000)	0%
Total 5751400 · Support Salaries	8,377	23,369	92,684	(69,315)	25%
5752100 · Employee Benefits					
5752110 · Group Insurance	1,260	6,449	26,010	(19,561)	25%
5752135 · TMRS	1,166	2,664	9,800	(7,136)	27%
5752160 · Worker's Compensation	668	1,293	3,150	(1,857)	41%
5752170 · Payroll Taxes	197	603	2,260	(1,657)	27%
5752190 · Licenses	111	111	222	(111)	50%
Total 5752100 · Employee Benefits	3,402	11,120	41,442	(30,322)	27%
5752300 · Contractual Services/Personnel					
5752350 · Contract Labor - Company	(1,688)	0	0	0	0%
5752380 · Dispatch	0	4,505	10,270	(5,765)	44%
Total 5752300 · Contractual Services/Personnel	(1,688)	4,505	10,270	(5,765)	44%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5752400 · Rentals					
5752420 · Rental - Machinery & Equipment	0	0	500	(500)	0%
Total 5752400 · Rentals	0	0	500	(500)	0%
5752500 · Operating Services					
5752580 · Water Testing	64	637	4,000	(3,363)	16%
5752590 · TCEQ Fees	0	2,614	3,000	(386)	87%
Total 5752500 · Operating Services	64	3,251	7,000	(3,749)	46%
5753100 · General Supplies					
5753140 · Uniforms	0	1,398	1,500	(102)	93%
Total 5753100 · General Supplies	0	1,398	1,500	(102)	93%
5753400 · Maintenance Supplies & Parts					
5753460 · Miscellaneous	0	11	300	(289)	4%
Total 5753400 · Maintenance Supplies & Parts	0	11	300	(289)	4%
5754200 · Travel Expenses					
5754220 · Professional Development	0	240	750	(510)	32%
5754270 · Vehicle Expenses	661	3,529	9,000	(5,471)	39%
Total 5754200 · Travel Expenses	661	3,769	9,750	(5,981)	39%
5755200 · Data Processing Expenses					
5755230 · Data Proc-Maintenance & Repairs	0	371	1,300	(929)	29%
5755240 · Data Processing - Software	0	3,434	4,200	(766)	82%
Total 5755200 · Data Processing Expenses	0	3,805	5,500	(1,695)	69%
5755300 · Printing Expenses					
5755310 · Copier Expense	0	0	2,700	(2,700)	0%
5755350 · Printing - Other	230	997	1,500	(503)	66%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
Total 5755300 · Printing Expenses	230	997	4,200	(3,203)	24%	
5755400 · Utilities						
5755415 · Cellular Phone	106	425	1,500	(1,075)	28%	
5755450 · Electricity	2,389	8,693	22,660	(13,967)	36%	
5755460 · Water, wholesale	17,372	109,702	360,500	(250,798)	30%	
Total 5755400 · Utilities	19,867	118,820	384,660	(265,840)	31%	
5755500 · Repairs & Building Improvements						
5755540 · Repairs- Machinery & Equipment	0	2,010	5,000	(2,990)	40%	
5755550 · Repairs - Vehicles	0	218	2,000	(1,782)	11%	
5755570 · Inventory Expense	2,057	5,762	10,000	(4,238)	58%	
5755580 · Water Chemical Expense	967	997	8,000	(7,003)	12%	
5755590 · Repairs - Other	16	2,498	3,000	(502)	83%	
Total 5755500 · Repairs & Building Improvements	3,039	11,485	28,000	(16,515)	41%	
5755600 · Insurance						
5755610 · Insurance - Property	661	1,322	2,643	(1,322)	50%	
5755620 · Insurance - Liability	402	804	1,750	(947)	46%	
5755640 · Insurance - Vehicle	154	308	1,600	(1,292)	19%	
Total 5755600 · Insurance	1,217	2,433	5,993	(3,560)	41%	
5755700 · Other Expenses						
5755752 · Employment Screening	0	0	300	(300)	0%	
Total 5755700 · Other Expenses	0	0	300	(300)	0%	
5756400 · Minor Capital Outlay						
5756440 · Machinery & Equipment	0	0	500	(500)	0%	
5756490 · Other	0	0	500	(500)	0%	
Total 5756400 · Minor Capital Outlay	0	0	1,000	(1,000)	0%	

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5757400 · Capitalized Assets						
5757440 · Machinery & Equipment	0	0	2,200	(2,200)	0%	
5757450 · Vehicles	0	23,770	23,770	0	100%	
5757470 · Infrastructure - Water	0	0	6,000	(6,000)	0%	
Total 5757400 · Capitalized Assets	0	23,770	31,970	(8,200)	74%	
5757900 · Long-Term Debt						
5758225 · Admin. Expense to Debt Fund	0	30,900	124,930	(94,030)	25%	
Total 5757900 · Long-Term Debt	0	30,900	124,930	(94,030)	25%	
Total 75 · Water	39,899	253,825	793,259	(539,434)	32%	
80 · Sewer						
5801400 · Support Salaries						
5801405 · Support Staff	0	2,667	9,900	(7,233)	27%	
5801415 · Maintenance Crew	9,319	27,958	55,702	(27,744)	50%	
5801450 · Certification Pay	104	312	1,210	(898)	26%	
5801480 · Merit Raises	0	0	1,968	(1,968)	0%	
5801490 · Overtime	423	1,788	2,650	(862)	67%	
5801500 · Sewer - On Call	100	400	1,150	(750)	35%	
Total 5801400 · Support Salaries	9,946	33,125	72,580	(39,455)	46%	
5802100 · Employee Benefits						
5802110 · Group Insurance	1,960	5,749	15,650	(9,901)	37%	
5802135 · TMRS	883	2,044	3,900	(1,856)	52%	
5802160 · Worker's Compensation-Sewer	668	1,293	2,730	(1,437)	47%	
5802170 · Payroll Taxes	141	431	980	(549)	44%	
5802190 · Licenses	111	111	222	(111)	50%	
Total 5802100 · Employee Benefits	3,763	9,628	23,482	(13,854)	41%	

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
5802300 · Contractual Services/Personnel					
5802350 · Contract Labor - Company	0	1,500	2,000	(500)	75%
Total 5802300 · Contractual Services/Personnel	0	1,500	2,000	(500)	75%
5802500 · Operating Services					
5802515 · Sardis Collection Expense	0	1,890	2,500	(610)	76%
5802590 · TCEQ Fees - Sewer	0	0	100	(100)	0%
Total 5802500 · Operating Services	0	1,890	2,600	(710)	73%
5803100 · General Supplies					
5803140 · Uniforms	0	917	1,000	(83)	92%
Total 5803100 · General Supplies	0	917	1,000	(83)	92%
5803400 · Maintenance Supplies & Parts					
5803460 · Miscellaneous	0	0	500	(500)	0%
Total 5803400 · Maintenance Supplies & Parts	0	0	500	(500)	0%
5804200 · Travel Expenses					
5804220 · Professional Development	0	225	500	(275)	45%
5804270 · Vehicle Expense	0	160	1,500	(1,340)	11%
Total 5804200 · Travel Expenses	0	385	2,000	(1,615)	19%
5805400 · Utilities					
5805450 · Electricity	195	768	2,781	(2,013)	28%
5805463 · TRA Wastewater Treatment	18,666	167,996	216,000	(48,004)	78%
Total 5805400 · Utilities	18,861	168,764	218,781	(50,017)	77%
5805500 · Repairs & Bldg Improvements					
5805510 · Repairs - Land Improvements	0	28	300	(272)	9%
5805540 · Repairs - Machinery & Equipment	4,680	4,701	6,500	(1,799)	72%
5805570 · Inventory Expense	425	1,442	2,000	(558)	72%

Ovilla W&S Utility Fund
Profit & Loss Budget Performance
October 2014 through January 2015

	Current		Year to Date	Budget	\$ Over (Under) Budget	% of Budget Thru January 33%
	January 2015	Oct 2014 - Jan 2015				
5805590 · Repairs - Other	0	499	500	(1)	100%	
Total 5805500 · Repairs & Bldg Improvements	5,105	6,669	9,300	(2,631)	72%	
5805600 · Insurance						
5805610 · Insurance - Property	14	28	93	(66)	30%	
5805620 · Insurance - Liability	93	186	375	(190)	49%	
5805640 · Insurance - Vehicle	10	19	50	(31)	38%	
Total 5805600 · Insurance	116	232	518	(286)	45%	
5805700 · Other Expenses						
5805752 · Employment Screening	0	0	200	(200)	0%	
Total 5805700 · Other Expenses	0	0	200	(200)	0%	
5807400 · Capitalized Assets						
5807440 · Machinery & Equipment	0	5,973	6,000	(27)	100%	
Total 5807400 · Capitalized Assets	0	5,973	6,000	(27)	100%	
Total 80 · Sewer	37,791	229,083	338,961	(109,878)	68%	
Total Expense	88,636	560,060	1,448,669	(888,609)	39%	
Change in Net Position	(3,377)	(49,360)	0	(49,360)	100%	

Ovilla Debt Service
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Revenues					
4000100 · Taxes					
4000107 · Ad Valorem, Current I & S	83,641	354,467	415,211	(60,744)	85%
4000111 · Ad Valorem, Delinquent I & S	399	3,670	3,570	100	103%
4000114 · Interest/Penalties - I & S	132	2,012	2,844	(832)	71%
Total 4000100 · Taxes	84,172	360,148	421,625	(61,477)	85%
4000800 · Other Revenue					
4000840 · Interest Earned	54	68	770	(702)	9%
4000900 · Reduction of Reserve Fund Bal.	-	-	28,500	(28,500)	0%
4000930 · Admin.Rev.Rec.Fr Water & Sewer	-	30,900	124,930	(94,030)	25%
Total 4000800 · Other Revenue	54	30,968	154,200	(123,232)	20%
Total Revenues	84,226	391,116	575,825	(184,709)	68%
Expenditures					
5157900 · Long-Term Debt					
5157930 · Paying Agent Fees	-	-	500	(500)	0%
51579349 - 2011 Bond Issue Principle	-	-	365,000	(365,000)	0%
5157940 · 2011 Bond Issue Interest	-	-	210,325	(210,325)	0%
Total 5157900 · Long-Term Debt	-	-	575,825	(575,825)	0%
Total Expenditures	-	-	575,825	(575,825)	0%
Net Change in Fund Balance	84,226	391,116	-	391,116	100%

**City of Ovilla Capital Projects Fund
Profit & Loss Budget Performance**

October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Revenues					
4000800 · Other Revenue					
4000845 · Interest Earned - Texstar	0	0	1	(1)	11%
4000850 · Interest Earned - Prosperity	22	88	255	(168)	34%
Total 4000800 · Other Revenue	22	88	256	(168)	34%
Total Revenues	22	88	256	(168)	34%
Expense					
5879000 · Reserves					
5879010 · Admin Reserves	0	0	256	(256)	0%
Total 5879000 · Reserves	0	0	256	(256)	0%
Total Expense	0	0	256	(256)	0%
Change In Net Position	22	88	0	88	100%

**Ovilla Park Impact Fund
Profit & Loss Budget Performance
October 2014 through January 2015**

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Revenues					
4000400 · Charges for Services					
4000460 · Park Impact	669	6,021	10,000	(3,979)	60%
Total 4000400 · Charges for Services	669	6,021	10,000	(3,979)	60%
4000800 · Other Revenue					
4000840 · Interest Earned	9	34	45	(11)	77%
Total 4000800 · Other Revenue	9	34	45	(11)	77%
Total Revenues	678	6,056	10,045	(3,989)	60%
Expenditures					
5606400 · Minor Capital Outlay					
5606410 · Land Improvements	0	0	500	(500)	0%
Total 5606400 · Minor Capital Outlay	0	0	500	(500)	0%
5607400 · Capitalized Assets					
5607440 · Capital Machinery & Equipment	0	0	3,500	(3,500)	0%
Total 5607400 · Capitalized Assets	0	0	3,500	(3,500)	0%
5609000 · Reserves					
5609035 · Park Impact Reserves	0	0	6,045	(6,045)	0%
Total 5609000 · Reserves	0	0	6,045	(6,045)	0%
Total Expenditures	0	0	10,045	(10,045)	0%
Net Change in Fund Balance	678	6,056	0	6,056	100%

Ovilla W&S Impact Fee Fund
Profit & Loss Budget Performance

October 2014 through January 2015

	Current	Year to Date		\$ Over	% of Budget
	January 2015	Oct 2014 -Jan 2015	Budget	(Under)	Thru January
				Budget	33%
Revenues					
4000400 · Charges for Services					
4000477 · Sewer Impact Fee	174	5,150	2,610	2,540	197%
Total 4000400 · Charges for Services	174	5,150	2,610	2,540	197%
4000800 · Other Revenue					
4000840 · Interest Earned	0	31	195	(164)	16%
4000880 · Transfer in - Water Impact	0	0	73,505	(73,505)	0%
Total 4000800 · Other Revenue	0	31	73,700	(73,669)	0%
Total Revenues	174	5,181	76,310	(71,129)	7%
Expense					
5755500 - Repairs					
5755560 - Repairs - Water Lines	0	0	55,000	(55,000)	0%
5755500 - Repairs - Other	0	0	18,700	(18,700)	0%
Total 5755500 · Reserves	0	0	73,700	(73,700)	0%
5859000 · Reserves					
5859030 · Sewer Impact Fees Reserve	0	0	2,610	(2,610)	0%
Total 5859000 · Reserves	0	0	2,610	(2,610)	0%
Total Expense	0	0	76,310	(76,310)	0%
Change in Net Position	174	5,181	0	5,181	100%

**Ovilla 4B Economic Development Corporation
Profit & Loss Budget Performance**

October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
Revenues					
4000100 · Taxes					
4000120 · Sales tax	5,711	24,805	98,500	(73,695)	25%
Total 4000100 · Taxes	5,711	24,805	98,500	(73,695)	25%
4000800 · Other Revenue					
4000840 · Interest Income	107	411	785	(374)	52%
Total 4000800 · Other Revenue	107	411	785	(374)	52%
Total Revenues	5,818	25,216	99,285	(74,069)	25%
Expenditures					
8102200 · Special Services					
8102230 · Legal Fees	0	0	500	(500)	0%
8102240 · Audit	0	0	1,600	(1,600)	0%
Total 8102200 · Special Services	0	0	2,100	(2,100)	0%
8102300 · Consultant Services					
8102310 · Consultant Fees	0	0	20,000	(20,000)	0%
Total 8102300 · Consultant Services	0	0	20,000	(20,000)	0%
8103100 · General Supplies					
8103110 · Office Supplies	0	0	100	(100)	0%
Total 8103100 · General Supplies	0	0	100	(100)	0%
8104200 · Travel Expense					
8104210 · Travel Expense	0	504	1,000	(496)	50%
8104220 · Professional Development	0	950	2,300	(1,350)	41%
Total 8104200 · Travel Expense	0	1,454	3,300	(1,846)	44%

Ovilla 4B Economic Development Corporation
Profit & Loss Budget Performance
October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
8105300 - Printing					
8105320 - Printing Expense	0	0	300	(300)	0%
Total 8105300 - Printing	0	0	300	(300)	0%
8105500 - Projects					
8105560 - Sewer Line	0	0	45,000	(45,000)	0%
Total 8105500 - Projects	0	0	45,000	(45,000)	0%
8105600 - Insurance					
8105620 - Insurance - Liability	73	147	295	(149)	50%
Total 8105600 - Insurance	73	147	295	(149)	50%
8105700 - Other Expenses					
8105705 - Postage	0	0	100	(100)	0%
8105730 - Memberships	0	0	165	(165)	0%
8105740 - Advertising	0	3,234	5,300	(2,066)	61%
8105765 - Business Expense	0	0	1,000	(1,000)	0%
Total 8105700 - Other Expenses	0	3,234	6,565	(3,331)	49%
8109000 - Reserves					
8109015 - Administrative Reserves	0	0	19,125	(19,125)	0%
8109215 - Admin. Expense to General Fund	0	625	2,500	(1,875)	25%
Total 8109000 - Reserves	0	625	21,625	(21,000)	3%
Total Expenditures	73	5,460	99,285	(93,825)	5%
Net Change in Fund Balance	5,745	19,756	0	19,756	100%

**Ovilla Municipal Development District
Profit & Loss Budget Performance**

October 2014 through January 2015

	Current	Year to Date		\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015	Budget	(Under)	Thru January
				Budget	33%
Revenues					
4000100 · Taxes					
4000120 · Sales tax	2,173	9,423	30,000	(20,577)	31%
Total 4000100 · Taxes	2,173	9,423	30,000	(20,577)	31%
4000800 · Other Revenue					
4000840 · Interest Income	28	108	160	(52)	67%
Total 4000800 · Other Revenue	28	108	160	(52)	67%
Total Revenues	2,201	9,531	30,160	(20,629)	32%
Expenditures					
9102200 · Special Services					
9102230 · Legal Fees	0	0	250	(250)	0%
9102240 · Audit	0	0	1,600	(1,600)	0%
9102250 · Accounting	0	0	250	(250)	0%
Total 9102200 · Special Services	0	0	2,100	(2,100)	0%
9102300 · Consultant Services					
9102310 · Consultant Fees	0	0	500	(500)	0%
Total 9102300 · Consultant Services	0	0	500	(500)	0%
9103100 · General Supplies					
9103110 · Office Supplies	0	0	100	(100)	0%
Total 9103100 · General Supplies	0	0	100	(100)	0%
9104200 · Travel Expense					
9104220 · Professional Development	0	0	250	(250)	0%
Total 9104200 · Travel Expense	0	0	250	(250)	0%

**Ovilla Municipal Development District
Profit & Loss Budget Performance**

October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015		(Under)	Thru January
				Budget	33%
9105600 · Insurance					
9105620 · Insurance - Liability	73	147	295	(149)	50%
Total 9105600 · Insurance	73	147	295	(149)	50%
9105700 · Other Expenses					
9105705 · Postage	0	0	25	(25)	0%
Total 9105700 · Other Expenses	0	0	25	(25)	0%
9109000 · Reserves					
9109015 · Administrative Reserves	0	0	26,390	(26,390)	0%
9109215 · Admin. Expense to General Fund	0	125	500	(375)	25%
Total 9109000 · Reserves	0	125	26,890	(26,765)	0%
Total Expenditures	73	272	30,160	(29,889)	1%
Net Change in Fund Balance	2,128	9,260	0	9,260	100%

Ovilla Employee Benefit Trust
Profit & Loss Budget Performance
 October 2014 through January 2015

	Current	Year to Date		\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015	Budget	(Under)	Thru January
				Budget	33%
Revenues					
4000991 · Insurance Contributions					
4000991 Insurance Contributions	27,218	52,407	0	52,407	100%
Total 4000991 · Insurance Contributions	27,218	52,407	0	52,407	100%
Total Revenues	27,218	52,407	0	52,407	100%
Expenditures					
5902110 · Benefit Premiums					
5902110 · Benefit Premiums	15,247	63,674	0	63,674	100%
Total 5902110 · Insurance	15,247	63,674	0	63,674	100%
Total Expenditures	15,247	63,674	0	63,674	100%
Net Change in Fund Balance	11,972	(11,266)	0	(11,266)	100%

**Ovilla Fire Department Auxiliary
Profit & Loss Budget Performance**

October 2014 through January 2015

	Current	Year to Date		\$ Over	% of Budget
	January 2015	Oct 2014 - Jan 2015	Budget	(Under)	Thru January
				Budget	33%
Revenues					
4000800 · Other Revenue					
4000815 · Gifts	1,000	2,660	500	2,160	532%
4000830 · Vending Machines	0	0	500	(500)	0%
Total 4000800 · Other Revenue	1,000	2,660	1,000	1,660	266%
Total Revenues	1,000	2,660	1,000	1,660	266%
Expenditures					
5333400 · Maintenance Supplies and Parts					
5333460 · Supplies - Miscellaneous	65	956	1,000	(44)	96%
Total 5333400 · Maintenance Supplies and Parts	65	956	1,000	(44)	96%
Total Expenditures	65	956	1,000	(44)	96%
Net Change in Fund Balance	935	1,704	0	1,704	100%

Ovilla Police Department Special Fund
Profit & Loss Budget vs. Actual
 October 2014 through January 2015

	Current	Year to Date	Budget	\$ Over (Under)	% of Budget
	January 2015	Oct 2014 -Jan 2015		\$ Over Budget	Thru January 33%
Revenues					
4000800 · Other Revenue					
4000815 · Gifts	0	700	1000	(300)	70.0%
Total 4000800 · Other Revenue	0	700	1000	(300)	70.0%
Total Revenues	0	700	1000	(300)	70.0%
Expenditures					
5232600 · Special Expenses					
5232690 · Special Expenses - Other	0	0	50	(50)	0.0%
Total 5232600 · Special Expenses		0	50	(50)	0.0%
5235700 · Other Expense					
5235735 · Official Functions	0	231	231	0	100.0%
Total 5235700 · Other Expense	0	231	231	0	100.0%
5236400 · Minor Capital Outlay					
5236440 · Machinery and Equipment	0	719	719	0	100.0%
Total 5236400 · Minor Capital Outlay	0	719	719	0	100.0%
Total Expenditures	0	950	1000	(50)	95.0%
Net Income	0	(250)	0	(250)	100%



To: Mayor and Council Members

From: Jacqueline Lee, Interim City Administrator

Subject: Activity Report – February 10, 2015 through March 6, 2015

This report is to provide you an overview of Interim Administrator activities, related to current and future projects, agenda items, staffing, and internal and external meetings on Council and Community issues and concerns.

My first month has involved re-familiarizing myself with city processes, local government code, city ordinances, planning and development projects, documents, studies, budget and financials, employees, Boards and Commissions and Council members and overall activities, issues and concerns.

Agenda Forecast

- My understanding of the current procedure is that the pending Council Agenda items are derived from Council, citizens and staff, and are listed on each Council Agenda and discussed during the Briefing Session. If there are items not listed in which you would like to come before Council, or there is a specific timeframe you would like to have the item on the Agenda, please inform me.

Staffing

- A meeting was held with all staff and the Interim City Administrator, on Tuesday, February 10th.
- Individual meetings have been held with each Department Head to discuss issues and major projects.
- Upcoming...During the week of March 9th meetings will be held with each Department Head to review departmental budgets, program objectives to be accomplished as related to funding, and the upcoming Mid-Year review.
- Continuous meetings have been held with the City Accountant to review and analyze the cities financials, i.e. current fiscal year budget, accounts payable transactions, fund transfers, financial statements, reconciliations, preparation for the mid-year budget review, and an overview of City accountant's duties.

Job Vacancies:

- City Administrator



Interim City Administrator and City Secretary have developed the calendar of activities associated with the City Administrator Selection and Appointment process. The schedule includes the timeframe for acceptance and review of applications, Council Review Board activities, Council interview(s) of final candidates to be interviewed and appointment.

- Fire Chief

Two applications have been received and reviewed. Interviews for the candidates are tentatively scheduled for the week of March 16 and 23. An interview panel will be utilized. Consideration of the recommended Candidate will be on the Council Agenda for April 13 for consideration.

Bank Depository Proposal

- Only one proposal was submitted from our current provider, Prosperity Bank. Proposals were sent to six area banks. Two declined to respond and three did not respond. The proposal has been reviewed, in accordance with responsiveness to the city's proposal criteria, and Staff recommendation is to continue the City's current scope of bank services with Prosperity. It is on the March 9 Council Agenda for discussion and action.

Audit – Annual Financial Report for Year Ending September, 2015

- Follow-up was made the week of February 23 and March 2 regarding the status of the audit. It is in the final review stage and should be received by the City within the next couple of weeks. It is scheduled to be presented to Council at the April 13 meeting.

City of Ovilla
City Administrator Review Schedule

DATE	ACTIVITY	Personnel
Friday, March 13, 2015	Closing date to accept resumes/applications.	MS. Lee and HR
Monday, March 16 thru Thursday, March 19, 2015	Initial review of submitted applications. Staff to organize and prepare for Council Review Board	MS. Lee and HR
Thursday, March 26 or Friday, March 27 (time?)	Council Review Board assessment of applicants, prepare and review recommended interview questions.	MS Lee, Mayor, PL2, PL5
Monday, April 13, 2015 Council Meeting	Review Board report to Council during Council meeting; share top candidates and direct HR to begin background process & schedule interviews. Or, consider hiring a search firm.	Review Board & Council
Week of April 20-27, 2015 (time?)	Interview of top candidates. Direct HR to schedule final interview of final candidate(s)	Council
Week of May 1-8, 2015 (time?)	Final review and second interviews of final candidate(s)	Council
Monday, May 11, 2015 Council Meeting	Regular Council Meeting: Council approval of final candidate selection. Make offer and set initial work date.	Council
*Special Meetings *Regular Council Meetings *Staff		



Date: March 09, 2015

TO: Honorable Mayor and City Council Members
MS Jacqueline Lee, Interim City Administrator

FROM: Pamela Woodall, City Secretary

TOPIC: Court Report

The Ovilla Municipal Court has made progressive changes in the past few years to reduce the number of outstanding warrants by pulling and reissuing old warrants, hiring a collection agency and utilizing OMNI, contracted with the Department of Public Safety. Additionally, our Court has participated in the recent *Warrant Round-Up*. The collection agency mailed 143 Ovilla *Warrant Round-Up* letters on February 20th and staff has already received phone calls responsive to the letters. Two responses resulted in approximately \$1600 in collections this past week. It is not reflected on the current collections report but will be included in the March monthly report to Council. Collection agency fees are included in Ovilla's total dollar amount of outstanding warrants.

Additionally, staff conducted a survey of neighboring municipalities.

Warrant Survey	Outstanding Warrants	Total \$ Warrants Outstanding	Collection Agency Used	Municipal Population
Cedar Hill	4,797	\$1,917,873.00	Yes	46,660
Desoto	16,367	\$6,604,065.67	Yes	51,480
Ferris	7,969	\$3,026,382.55	Yes	2500
Glenn Heights	3,239	\$1,285,564.45	Yes	11,760
Italy				1900
Melissa	5,000 +	\$1,000,000.00 +	Yes	6110
Midlothian	2,629	\$ 884,294.43	Yes	19,890
Ovilla	403	\$ 141,210.30	Yes	3820
Red Oak	5,735	\$1,923,272.48	Yes	11,240

Ovilla Municipal Court Report

FY-2014-2015	Total Traffic		State Law		Parking Cases		Penal Code		City Ordinance		Trials	Total Revenue	Amount Kept by City	Amount sent to State	Warrants Issued	Cases sent to Collections
	Cases Filed	Cases Filed	Cases Filed	Cases Filed	Filed	Cases Filed	Filed	Cases Filed	Filed							
October	18	0	0	3	3	0	3	3	3	1	\$5,574.40	\$3,728.99	\$1,845.41	16	16	
November	25	1	0	4	4	0	4	0	0	1	\$4,361.00	\$2,663.66	\$1,697.34	19	51	
December	30	0	0	1	1	2	1	2	2	0	\$5,417.38	\$3,195.00	\$2,222.38	0	46	
January	32	3	0	0	0	8	0	8	8	0	\$7,500.62	\$4,371.65	\$3,128.97	11	66	
February	28	1	0	4	4	1	4	1	1	0	\$4,381.00	\$2,755.24	\$1,626.56	18	106	
March																
April																
May																
June																
July																
August																
September																
Totals	133	5	0	12	14	0	12	14	14	2	\$27,234.40	\$16,714.54	\$10,520.66	64	285	

2013-2014 FY

February	34	0	1	0	4	0	0	4	0	0	\$4,801.55	\$2,486.02	\$2,315.53	15	
FY Totals	151	185	2	3	11	2	3	11	1	1	\$30,461.40	\$17,605.63	\$12,855.77	39	

FY-2014-2015		Total # of Warrants	Total Amount of Warrants	Warrants Cleared	Warrants Amount	Cleared Omni/ Collections	Amount Omni/ Collections
October	389	\$118,562.35	4	\$1,113.00	4	\$1,113.00	
November	405	\$124,725.78	3	\$1,068.40	3	\$1,068.40	
December	394	\$126,563.34	11	\$3,399.93	9	\$2,921.93	
January	399	\$132,488.90	6	\$1,163.80	6	\$1,163.80	
February	403	\$141,210.30	14	\$200.00	12	\$200.00	
March							
April							
May							
June							
July							
August							
September							
Totals			38	\$6,945.13	34	\$6,467.13	

Code Enforcement Report
 105 S Cockrell Hill Rd
 Ovilla, TX 75154
 (972) 617-7262

To: Mayor Richard Dormier
 Ovilla City Council
 Pam Woodall

Subject: **Code Enforcement Monthly Report**

	Feb.2015	Feb. YTD 2015	Feb. 2014	Feb. YTD 2015
Calls For Service				
Complaint (Nuis 10,Permit 18,Parking 8	36	177	62	
Follow Up (Nuis 17, Permit-18, Parking-8)	43	194	74	
Door Notice (Nui -9, Permit-2, Parking-8)	19	150	27	
Mail Notice (Nuis-5, Parking-6 permit 4)	15	84	17	
Posted Property (3 nuisance)	3	161	1	
Court (4 guilty)	4	11	0	
Citizen Contacts	53	248	88	
Permits Reviewed	14	68	18	
Permits Issued	12	52	13	
Inspections	18	88	23	
Nuisance Abated by City (Grass)(Mosquito)	0	2	0	
Nuisance Signs (Garage sale-8, Business-11)	19	133	40	
Board Of Adjustment 2 approved	2	5	0	

OVILLA ANIMAL CONTROL
 105 S Cockrell Hill Rd
 Ovilla, TX 75154
 (972) 617-7262

To: Mayor Richard Dormier
 Ovilla City Council

Subject: **Animal Control Monthly Report**

	Feb. 2015	Feb YTD 2015	Feb. 2014	FEB. YTD 2015
Calls For Service				
Complaint (Registration-18 At Large-10)	28	115	49	
Followups	34	156	55	
Door Notice (Registration-18, At Large-2)	20	94	19	
Impounded Animal (Dog 9 Cat 2)	11	32	9	
Animal Welfare Check	32	81	22	
Impound Results (Return-4, Transport-7)	11	28	9	
Impound fee collected	\$285.00	\$500.00	165	
Court(0)	\$0.00	\$710.00	0	
Citizen Contacts	35	157	82	
Registration Tags Issued \$396	33	68	29	
Registration Reminder Mailed	22	72	18	
Nuisance Letter Mailed	2	7	4	
Animals released ()	0	0	1	
Deceased Removed	19	125	37	
Oak Leaf (dog)	2	2	3	
Traps Checked Out	3	14	41	



CONSENT ITEMS C1 - C3

Meeting Date: March 09, 2015

Department: Administration

Discussion Action

Budgeted Expense: YES NO N/A

Submitted by: Staff

Amount: N/A

Attachments:	
C1.	January 2015 Financial Transactions over \$5,000
C2.	Minutes of the February 09, 2015 Briefing Session and Regular City Council Meeting
C3.	Interlocal Cooperation Contract for the Lease of Voting Machine with Ellis County
Discussion / Justification:	
Recommendation / Staff Comments:	
Staff recommends approval.	
Sample Motion(s):	
<i>I move to approve the consent items as presented.</i>	



DATE: March 9,2015

TO: Honorable Mayor and Council Members

FROM: Linda Harding

SUBJECT: Expenditures in January 2015 over \$5,000

**City of Ovilla Expenditures Over \$5,000
for the Month of January 2015**

General Fund				
Date	Check#	Payee	Description	Amount
1/2/2015	43272	US Treasury	Payroll Taxes	\$8,126.28
1/2/2015	43283	United HealthCare	Health Insurance January	\$8,821.12
1/9/2015	43294	TMRS	Retirement	\$9,928.38
1/15/2015	ACH	Quick Books Payroll Service	Payroll	\$41,217.85
1/16/2015	43327	Progressive	Garbage	\$33,384.00
1/16/2015	43319	US Treasury	Payroll Taxes	\$8,001.20
1/23/2015	43365	State Comptroller	State Criminal Cost and Fees QTR End 12/31/2014	\$5,251.52
1/29/2015	ACH	Quick Books Payroll Service	Payroll	\$42,303.67
1/30/2015	43373	Gexa Energy LP	Electricity	\$5,135.14
1/30/2015	43386	Texas Municipal League IRP	Quarterly Property/Liability/Auto/WC	\$7,337.80
1/30/2015	43383	United HealthCare	Health Insurance February	\$8,821.12
1/30/2015	43394	US Treasury	Payroll Taxes	\$10,787.24
Total General Fund Transactions \$5,000 and Over				\$189,115.32

Water & Sewer Fund				
Date	Check#	Payee	Description	Amount
1/2/2015	15730	City of Ovilla General Fund	Payroll 1/2/15	\$10,547.63
1/16/2015	15737	Trinity River Authority of Texs	Water Treatment January	\$18,666.00
1/16/2015	15731	City of Ovilla General Fund	Payroll 1/16/2015	\$11,013.76
1/21/2015	15742	City of Dallas	Water Purchase	\$17,371.94
1/23/2015	15749	Trinity River Authority of Texs	Water Treatment December	\$18,666.00
Total Water & Sewer Fund Transactions \$5,000 and Over				\$76,265.33

CITY OF OVILLA MINUTES
Monday, February 09, 2015
City Council Briefing Session
105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Dormier called the Council Briefing Session of the Ovilla City Council to order at 6:00 P.M. The following City Council Members were present:

Rachel Huber	Council Member, Place 1
Larry Stevenson	Council Member, Place 2
David Griffin	Mayor Pro Tem, Place 3
Doug Hunt	Council Member, Place 4
Dean Oberg	Council Member, Place 5

Mayor Dormier announced present Council members, thus constituting a quorum. Various department-heads and staff were also present.

CONDUCT A BRIEFING SESSION to review and discuss future agenda items.

- a. Parking in excess of one-ton flatbed truck on residential street
 - i. Staff is still researching and will bring back for review.
- b. Update on Sanitary Sewer Averaging
 - i. Shortfall, will review averaging in April.
- c. Employee Equipment Purchase/Payback Program
 - i. Chief Moon shared sample employee payroll deduction agreement.
- d. Carrying of weapon by Animal Control Officer
 - i. Shotgun would be for euthanasia purposes.
- e. Advise Council of violation Letter from TCEQ
 - i. Public Works Director Brad Piland shared prior notice that the violation was related to late quarterly reporting.
- f. Official date for annual clean-up in Ovilla
 - i. Confirm the set date of April 25 with May 02 as backup. (standard annual times)
- g. Fee Schedule for Fire Inspection
 - i. Interim Fire Chief Kennedy recommended lowering the fee to \$25 for the first inspection. If a 3rd inspection was necessary at one establishment, increase the fee to \$150.
- h. East TX Ambulance Service notification affecting ESD#4 residents
 - i. Interim Fire Chief Kennedy advised Council of ETMC-EMS notification of intent to withdraw ambulance service.
- i. Bank Depository Reviews
 - i. Received one response. Will return to March Council meeting with agreement.

CONDUCT A BRIEFING SESSION to review and discuss agenda items for the 6:30 p.m. regular meeting.

Mayor Dormier and Council reviewed the 6:30 p.m. Public Hearings and Regular Meeting agenda items.

ADJOURNMENT

Mayor Dormier adjourned the Briefing Session of the Ovilla City Council at 6:22 p.m.

ATTEST:

Richard Dormier, Mayor

Pamela Woodall, City Secretary

Approved February 09, 2015

CITY OF OVILLA MINUTES

Monday, February 09, 2015

Regular City Council Meeting

105 S. Cockrell Hill Road, Ovilla, TX 75154

Mayor Dormier called the Regular Council Meeting of the Ovilla City Council to order at 6:34 P.M. The following City Council Members were present:

Rachel Huber	Council Member, Place 1
Larry Stevenson	Council Member, Place 2
David Griffin	Mayor Pro Tem, Place 3
Doug Hunt	Council Member, Place 4
Dean Oberg	Council Member, Place 5

Mayor Dormier announced present Council members, thus constituting a quorum. Various department-heads and staff were also present.

Mayor Dormier gave the Invocation and led the recitation of the Pledge of Allegiance.

COMMENTS, PRESENTATIONS, REPORTS AND/OR APPOINTMENTS

Presentation: Council recognition of former Fire Chief Phillip Brancato for his years of service to the City of Ovilla.

Announcement: PL4 Hunt advised that the Annual Spaghetti Benefit Dinner (this year benefits the Ovilla Police Department) is Friday, February 20, 2015, 6:00 p.m., at the Ovilla Road Baptist Church.

• ***Citizens Comments / Citizens Forum:***

1. Numerous individuals signed up to speak during either the public hearing(s) or specific items listed on the regular agenda. Mayor Dormier announced he would allow each one to approach the podium when those specific items were addressed.

• **Department Activity Reports / Discussion** – staff presented their reports.

- Police Department Police Chief M. Moon
 - Monthly Report
 - Tier 2 Annual reporting
- Fire Department Interim Fire Chief B. Kennedy
 - Monthly Report
 - PL4 Hunt asked that Fire Inspections be added to the monthly report.
- Public Works Public Works Director B. Piland
 - Monthly Report
 - New PW truck was due to arrive anytime.
 - PW Director Piland was asked to check on the status of the Brookwood Street light.
- Finance Department City Accountant L. Harding
 - December 2014 Monthly Financials – MS Harding reported there were no issues.
 - Monthly Municipal Court Report City Secretary P. Woodall
 - MS Woodall reported the warrant round-up letters would be mailed February 20
 - Monthly Code/Animal Control Reports Code/AC Officer M. Dooly

CONSENT AGENDA

The following items may be acted upon in one motion. No separate discussion or action is necessary unless requested by a Council Member, in which event those items will be pulled from the consent agenda for individual consideration.

- C1.** Minutes of the January 12, 2015 Briefing Session and Regular City Council Meeting
- C2.** Minutes of the January 19, 2015 Special Council Meeting
- C3.** Oncor Agreement
- C4.** Committed Fund Balance
- C5.** Quarterly Investment Report
- C6.** December 2014 Financial Transactions over \$5,000
- C7.** Resolution R2015-001, authorizing the Mayor to execute the Second Amendment to the Tower Lease Agreement by and between the City of Ovilla, Texas and T-Mobile West LLC.

PL2 Stevenson moved that Council approve the Consent Items as presented, seconded by PL4 Hunt. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

PUBLIC HEARING AND CONSIDERATION

Mayor Dormier read the state statute and Case PZ15.02 aloud, and announced the opening of the Public Hearing at 7:01 p.m.

In accordance with the laws of the State of Texas, the City Council of the City of Ovilla conducts public hearings to receive public testimony and comments from all interested persons and parties of the properties described.

1. Case No. PZ15.02. ***Receive*** presentation and citizen comments on a request by Midlothian Independent School District for a change in zoning from RE (Single Family Residential District) to CG (General Commercial) on approximately 13.998 acres of land, more or less, located in the William Billingsley Survey, Abstract No 81, Ellis County, Texas and being generally located north of Shiloh Road and west of Bryson Lane in the Midlothian Independent School District, City of Ovilla, Texas, Extraterritorial Jurisdiction (ETJ).
 - a. Presentation*** of Request for change in zoning from Midlothian School District Representative(s).
Mr. Ross Rivers, VLK Architects for MISD gave a brief presentation: MISD hopes to begin construction in summer 2015, open the school in fall 2016. The building will be 92,000 square foot with a 750 student capacity.
 - b. PUBLIC HEARING*** to receive comments from the public regarding the request.
 1. Jimmie Wade – What about the bus route through Ovilla
 2. Lloyd Parker, 605 Georgetown – Benefit to Ovilla?
 3. Carl Hudson, 707 Buckboard – Costs to Ovilla? Traffic?

Mayor Dormier closed the public hearing at 7:07 p.m.

Mayor Dormier moved the order of the Agenda to the Regular Agenda, Item 3.

REGULAR AGENDA

3. ***DISCUSSION/ACTION – Consideration*** of and action on Ordinance 2015-006 of the City of Ovilla, Texas, annexing the hereinafter described territory to the City of Ovilla and extending the boundary limits of the said City so as to include the hereinafter described property within

the City limits of Ovilla, and granting to all the inhabitants of said property all the rights and privileges of other citizens and binding said inhabitants by all of the acts, ordinances, resolutions, and regulations of the City of Ovilla; and adopting a Service Plan.

The City received a request and petition for the annexation from the Midlothian Independent School District on October 23, 2014. Two Public Hearings for the annexation of approximately 13.998 acres known as the Midlothian Independent School District Tract, generally located north of Shiloh Road and west of Bryson Lane, were held on Monday, January 12, 2015 and Monday, January 19, 2015. There was no opposition during the hearings.

PL4 Hunt moved to approve Ordinance 2015-006, an Ordinance of the City of Ovilla, Texas, annexing the hereinafter described territory to the City of Ovilla and extending the boundary limits of the said City so as to include the hereinafter described property within the City Limits of Ovilla, and granting to all the inhabitants of said property all the rights and privileges of other citizens and binding said inhabitants by all of the acts, ordinances, resolutions, and regulations of the City of Ovilla; and adopting a Service Plan, seconded by PL1 Huber. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

4. **DISCUSSION/ACTION – Case No. PZ15-02.** Receive recommendation report from the Planning and Zoning Commission for the consideration of and action on the request submitted by Midlothian Independent School District for a change in zoning from RE (Single Family Residential District) to CG (General Commercial) on approximately 13.998 acres of land, more or less, located in the William Billingsley Survey, Abstract No 81, Ellis County, Texas and being generally located north of Shiloh Road and west of Bryson Lane in the Midlothian Independent School District, City of Ovilla, Texas.

The Planning and Zoning Commission (P&Z) held a public hearing on this item during their regular meeting of February 02, 2015 at 6:00 p.m. All posted notices and mailed notification letters (33) were completed in accordance to state statute. Staff did not receive any written comments or phone inquiries from the public prior to the public hearing. During the P&Z public hearing, there was no one to speak in opposition or approval of the change in zoning, however, one resident inquired about the traffic study and impact the increased traffic may have to the residential areas. Following the public hearing and discussion, the P&Z's consideration for the change in zoning was a unanimous vote to recommend approval of MISD's request to the Ovilla City Council.

PL4 Hunt moved that Council accept and approve the Planning & Zoning Recommendation Report to approve a request by MISD for a change in zoning from RE (Single Family Residential District) to CG (General Commercial) on approximately 13.998 acres of land, more or less, located in the William Billingsley Survey, Abstract No. 81, Ellis County, and being generally located north of Shiloh Road and west of Bryson Lane in the Midlothian Independent School District, City of Ovilla, Texas, seconded by PL5 Oberg. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

5. **DISCUSSION/ACTION – Consideration** of and action on Ordinance 2015-007, providing for the amendment to the Zoning Ordinance of the City of Ovilla, Texas, that being Ordinance 2010.013, as heretofore amended; providing a zoning classification change from "RE" (Single Family Residential) to "CG" (General Commercial) on a 13.998 acre area of land described herein located within the William Billingsley Survey, Abstract No. 81, of the Deed Records of Ellis County; and providing for immediate effect.

Staff received a request from representatives from the Midlothian Independent School District (MISD) for a change in zoning to the same property considered for annexation under Item 3 of the Regular Agenda. Two Public Hearings for the rezoning of approximately 13.998 acres known as the Midlothian Independent School District Tract, generally located north of Shiloh Road and west of Bryson Lane, were held on Monday, February 02 by the Planning and Zoning Commission and this date Monday, February 09, 2015, held by the City Council.

Mayor Pro Tem Griffin moved to approve Ordinance 2015-007, providing for the amendment to the Zoning Ordinance of the City of Ovilla, Texas, that being Ordinance 2010.013, as heretofore amended; providing a zoning classification change from "RE" (Single Family Residential) to "CG" (General Commercial) on a 13.998 acre area of land described herein located within the William Billingsley Survey, Abstract No. 81, of the Deed Records of Ellis County; and providing for immediate effect, as presented, seconded by PL2 Stevenson. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

Mayor Dormier moved the order of the Agenda back to the Public Hearing.

PUBLIC HEARING AND CONSIDERATION

Mayor Dormier read aloud the state statute regarding Public Hearings and Item 2, Planned Development request, and announced the opening of the Public Hearing at 7:15 p.m.

In accordance with the laws of the State of Texas, the City Council of the City of Ovilla conducts public hearings to receive public testimony and comments from all interested persons and parties of the properties described.

2. ***Receive*** presentation and citizen comments on Planned Development Application submitted by Clyde Hargrove: Consideration for a Planned Development, *Ovilla Retail Center*, being 129.043 acres, situated in the S. Clark Survey, A-212 & E. W. Blanton Survey, A-51, more commonly known to be a tract of land bordered by Ovilla Road 664, Malloy, Hosford and Westmoreland Roads. Zoning districts defined are: General Commercial, Residential, Senior Community and Park area.

a. Presentation of Request from the Developer.

Mr. Todd Winters and Mr. Clyde Hargrove thanked Council for allowing the postponement after hearing all comments from the public and the Planning & Zoning Commission at first public hearing, therefore, removed a designated park area and revised the proposed zoning of R-15 to the current zoning of R-22.

b. PUBLIC HEARING to receive comments from the public regarding the request.

Mayor Dormier asked those speaking in opposition of the PD to come to the podium.

1. There were approximately 24 Ovilla residents that spoke in opposition; many voicing concerns about the senior living community: 1) how to maintain control of allowing and restricting only qualified aged seniors to reside in the community, 2) aquifer, 3) traffic concerns, and, 4) medical, fire and police concerns. Overall, residents were not happy with the location of the PD and specifically the senior housing area, and the impact this would have to Ovilla, including the changes to the character of Ovilla. Additionally, some residents voiced complaints that the city secretary didn't provide sufficient notification to all Ovilla residents of the Planned Development.

Mayor Dormier asked those speaking in support of the PD to come to the podium.

2. Two (2) residents spoke in favor of the concept plan; the location was accessible; understanding that traffic and road conditions would be assessed.

Mayor Dormier closed the Public Hearing at 8:47 p.m., and allowed Mr. Hargrove to address concerns and comments from the public.

Developer, Mr. Hargrove responded to each concern:

1. Only the "owner" occupant would be permitted in the senior community. He would add that to the development agreement. A private management firm would manage the senior community.
2. He thought this location the ideal area with the current commercial zoning off FM664.
3. A traffic study will be completed prior to final plat.
4. No aquifer.
5. All standard setbacks would be followed.
6. Malloy Road would be improved.
7. The financial impact to Ovilla will be positive and he expects to build in at least three phases.
8. Council has control of the platting process.

- c. DISCUSSION/ACTION – Consideration** of and action to approve the Planned Development, Ovilla Retail Center, being 129.043 acres, situated in the S. Clark Survey, A-212 and E.W. Blanton Survey, A-51, more commonly known to be a tract of land bordered by Ovilla Road 664, Malloy, Hosford and Westmoreland Roads.

Council discussed all received comments from both the residents and the developer and shared their concerns of approximately 21.08 acres proposed at R-15. Council preferred it be zoned R-22. Mr. Hargrove agreed to make that residential zoning change for that area. Additionally, Council confirmed that a rough proportionality study would be required and completed prior to any construction phase. Council's consensus was favorable with the senior community, except for PL2 Stevenson. He voiced concerns with the presentation as a whole. Mayor Dormier shared the legal and notice requirements with the public and added that infrastructure is not addressed during the concept/zoning stage. That would come later. Because the Planning & Zoning Commission reported to Council their recommendation to deny the PD, a super majority vote would be required to pass.

PL5 Oberg moved that Council approve the Planned Development, Ovilla Retail Center, being 129.043 acres situated in the S. Clark Survey, A-212 & E.W. Blanton Survey, A-51, more commonly known to be a tract of land bordered by Ovilla Road 664, Malloy, Hosford and Westmoreland Roads adding revisions that the 21.08 acres is changed from R-15 to R-22 zoning, and include deed restrictions to the senior community with the plat when filed, and direct staff to return such in ordinance form, seconded by PL4 Hunt. *PL2 Stevenson opposed, no abstentions.*

VOTE: The motion carried unanimously: 4-1.

REGULAR AGENDA

Items 3, 4 and 5 were previously addressed.

6. **DISCUSSION/ACTION – Consideration** of and action on Resolution R2015-002 of the City of Ovilla, Texas, authorizing the Mayor to execute an agreement/contract with Texas First Group Replacement Service, Inc. to provide personnel appropriate to handle Interim City Administrator responsibilities.

The presented agreement would provide qualified personnel to manage the responsibilities of Interim City Administrator while Council determined the process to search, review applicants, and fill the vacancy permanently. Mayor Dormier stated that MS Jacqueline Lee (former Interim CA) was available.

PL2 Stevenson moved to approve Resolution R2015-002 of the City of Ovilla, Texas, authorizing the Mayor to execute an agreement/contract with Texas First Group Replacement Service, Inc., to provide personnel appropriate to handle Interim City Administrator responsibilities, seconded by PL1 Huber. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

7. **DISCUSSION/ACTION – Consideration** of and action to review and revise duties and responsibilities of the City Administrator.

Council had no comments.

No Action.

8. **DISCUSSION/ACTION – Consideration** of and action to define language for public notice for applications for City Administrator position and direct staff as necessary.

Staff share the posted notice from the 2013 city administrator search that was listed in the local newspaper, on the city's website and with the Texas Municipal League online service. Staff asked Council's direction to determine precise language for a new notice. Staff was instructed to allow the Interim CA to assist with the language.

No Action.

9. **DISCUSSION/ACTION – Consideration** of and action on the creation of a Council Review Board for City Administrator applicant review and direct staff as necessary.

Council created a Review Board consisting of the Mayor and two council persons to review and assess qualified applicants.

PL4 Hunt moved to approve the creation of a Council Review Board with the appointment of the Mayor and two Council persons being PL2 Stevenson and PL5 Oberg to review and assess city administrator applicants, seconded by PL1 Huber. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

10. **DISCUSSION/ACTION – Consideration** of and action on Resolution R2015-003 of the City of Ovilla, Texas, authorizing the Mayor to execute an Agreement between the North Central Texas Council of Governments and the City of Ovilla, Texas, providing a license agreement for assistance with a map-based information system to include the 2015 digital orthophotography and/or LiDAR and contour data for an amount of \$4,589.20.

Pending staff research, this item was not addressed.

No Action.

ADDENDUM TO REGULAR AGENDA

11. **DISCUSSION/ACTION – Consideration** of and action on Ordinance 2015-008, amending Chapter 15 to the Code of Ordinance of the City of Ovilla, Texas, providing definitions; providing for the establishment of a Park Board; providing procedures for the naming of parks; providing park regulations and procedures; providing for park and recreation facility use fees and charges; providing for penalties, reward for information, and enforcement; providing for permitting; providing a savings clause; providing a severance clause, providing for

incorporation into the Code of Ordinances; providing for an effective date; and providing for publication.

Council reinstated the Parks Board Advisory Committee at their July 14, 2014 Council Meeting and had since appointed a five-member board to serve in an advisory and voluntary capacity to assist staff with the development of a master parks plan, as called for in Goal Statement 2 of the Strategic Guide. The Parks Board met twice since formation and during their January 05, 2015 meeting, they concluded recommendations for Article 15.04-15.06., establishing park regulations and procedures, permits, facility use and fees. The presented ordinance revises Ordinance 2014-012.

Mayor Pro Tem Griffin moved to approve Ordinance 2015-008, amending Chapter 15 to the Code of Ordinances of the City of Ovilla, Texas, providing definitions; providing for the establishment of a Park Board; providing procedures for the naming of parks; providing park regulations and procedures; providing for park and recreation facility use fees and charges; providing for penalties, reward for information, and enforcement; providing for permitting; providing a savings clause; providing a severance clause, providing for incorporation into the Code of Ordinances; providing for an effective date; and providing for publication, seconded by PL2 Stevenson. *No oppositions, no abstentions.*

VOTE: The motion carried unanimously: 5-0.

EXECUTIVE SESSION

None.

REQUESTS FOR FUTURE AGENDA ITEMS AND/OR ANNOUNCEMENTS

No ANNOUNCEMENTS.

FUTURE ITEMS:

- | | |
|------------------|---|
| 1. PL1 Huber | None |
| 2. PL2 Stevenson | Continue research on parking one-ton trucks in residential neighborhoods. |
| 3. PL3 Griffin | Policy for gun purchase, Policy to allow shotgun in Animal Control Officer's Truck, Review dumpster ordinance with revision on time/day limitations in residential areas. |
| 4. PL4 Hunt | None |
| 5. PL5 Oberg | None |
| 6. Mayor | None |

ADJOURNMENT

PL2 Stevenson moved to adjourn, seconded by PL4 Hunt. There being no further business, Mayor Dormier adjourned the meeting at 9:50 p.m.

Richard Dormier, Mayor

Approved March 09, 2015

ATTEST:

Pamela Woodall, City Secretary

*Richard Dormier, Mayor
Rachel Huber, Place One
Larry Stevenson, Place Two*

*Doug Hunt, Place Four
David Griffin, Place Three
Dean Oberg, Place Five*



ELLIS COUNTY ELECTIONS

Bruce Sherbet, CERA
Elections Administrator

106 S. Monroe
Waxahachie, TX 75165
Bus. (972) 923-5195
Fax (972) 923-5194

February 17, 2015

TO: City of Ovilla

FROM: Bruce Sherbet, Elections Administrator

A handwritten signature in blue ink that reads "Bruce Sherbet".

SUBJECT: Lease Agreement for AutoMark ADA Voting Device

Enclosed is the approved lease agreement between Ellis County and City of Ovilla for use of the AutoMark voting device for the May 9, 2015 election. Please sign and return the agreement by April 10, 2015.

In order for the elections department to prepare the AutoMark for use, you are requested to provide the programming chip and two ballots by April 15, 2015.

The AutoMark and list of registered voters for your jurisdiction will be available for pick up on April 23, 2015.

A training course on the use of the AutoMark and voter qualification procedures will be conducted on April 23, 2015 at 2:00 PM at the elections department, 106 S. Monroe St., Waxahachie.

If you have any questions concerning the above matter, please do not hesitate to contact us at 972-923-5195.

**INTERLOCAL COOPERATION CONTRACT FOR THE LEASE
OF VOTING MACHINES BETWEEN ELLIS COUNTY, TEXAS AND
CITY OF OVILLA**

THIS AGREEMENT is entered into on this 9th day of Feb 2015, by and between the County of Ellis, a local government as defined by Article 791.003(4) of the Texas Government Code (herein "County") and City of Ennis, a local government as defined by Article 791.003(4) of the Texas Government Code, hereinafter referred to as Lessee.

RECITALS:

WHEREAS: Article 123.032(b) of the Texas Election Code provides that a political subdivision may lease equipment from a county in which the political subdivision is wholly or partly situated; and

WHEREAS: Article 123.032(c) of the Texas Election Code provides, with some limitations, that if a political subdivision desires to lease equipment owned by a county in which the political subdivision is wholly or partly situated, the county shall lease the equipment to the political subdivision under the terms agreed to by the parties; and

WHEREAS: County is the owner of certain voting machines identified as AutoMark Model A-100-00; and

WHEREAS: The purpose of Interlocal Agreements is to increase the efficiency and effectiveness of local governments by authorizing them to contract, to the greatest possible extent, with one another and with agencies of the state; and

WHEREAS: The sharing of voting machines constitutes a "governmental function and service," as defined in Article 791.003(3) (N) of the Texas Government Code, in which the contracting parties are mutually interested; and

WHEREAS: The lease constitutes a contract or agreement described in Article 791.011(c) (2) of the Texas Government Code to provide a governmental function or service that each party to the contract is authorized to perform individually; and

WHEREAS: Lessee has expressed its desire to contract with County for the rental of the herein above described voting machines and certifies under Article 791.011(d) (3) of the Texas Government Code, that sufficient funds from current revenues are available to pay the obligation set out herein, in an amount, as required by Article 791.011(e), that fairly compensates County; and

WHEREAS: County is willing to contract with Lessee to enter into an agreement for the lease of said machines upon the terms and conditions set out hereinafter.

AGREEMENT:

NOW THEREFORE, for value received and in consideration of the covenants, conditions, and premises herein contained, the parties agree as follows;

1. County agrees to lease to Lessee the Voting Machines for a fee of **\$324.17** per machine paid in advance. Said payment is for a period of **April 23, 2015** through **May 11, 2015** and is **due by 2:00 p.m. the tenth day before the lease period begins**. Lessee agrees to pay the contract amount, prior to receiving the equipment, and no later than 10 days before the beginning of the lease period.

2. In the event the equipment leased from County to Lessee pursuant to this lease is stolen, lost, damaged, vandalized, destroyed or rendered inoperable, whether intentional or not, Lessee agrees to reimburse County for the full cost of replacement or repair of such equipment. The repair cost shall be determined by the equipment service vendor. The Lessee's payment for repair or replacement costs for damaged or lost equipment, or service cost resulting from same shall be remitted to County by Lessee within thirty (30) days of written notice of loss sent by County to Lessee.

3. County shall supply the Lessee with **ONE (1)** AutoMark Model A-100-00 machines.

4. Lessee is responsible for the following actions or functions:
 - A. Pick-Up of equipment from the Elections Administrator's Office.
 - B. Return of equipment to Elections Administration Office by 4:00 p.m. on the next business day after the election.
 - C. Ordering Optical Scan Ballots for the AutoMark.
 - D. Contacting Election System and Software, Inc., herein ES&S, for coding of AutoMark voting machines.
 - E. Reasonable care to prevent theft of or damage to the AutoMark voting machines.

5. Lessee shall designate individuals at each location to be in charge of operations who will oversee the receipt, care, custody, and control of the machines ("Designated Individuals"). Prior to delivery of the machines, Lessee shall obtain any training necessary for the proper operation and care of the machines for the Designated Individuals.

6. Lessee must designate Individuals for training in the proper operation of the AutoMark machines. ES&S may periodically provide training in the proper use of the AutoMark machines. Designated Individuals should attend such training. The Elections Administrator will also provide training to Lessees and its Designated Individuals. The Lessee shall pay any costs of training Designated Individuals, as well as other personnel it may need to properly and lawfully conduct an election. The Elections Administrator must be satisfied that the Lessee is adequately trained in the operation of the AutoMark machines prior to Lessee or its agent picking up any machines.

7. Lessee assumes full liability for the safekeeping of the Voting Machine(s) and all associated items such as inventory and supplies furnished by Ellis County. The Ellis County Elections Administrator will notify Lessee in writing of any damaged, missing, and unaccounted for machines or associated items and Lessee shall have up to thirty (30) days to research and rectify any discrepancies before payment is due. The Lessee agrees to pay for any destroyed, damaged, or missing machines or associated items.

8. Lessor is not responsible for the operation or accuracy of the machines or for the failure of the machines to operate in a proper or accurate manner. Lessee shall not be responsible for the failure of Lessee or its employees, its Designated Individual, or other agents or representatives to operate the machines properly. Lessee agrees to defend, indemnify, and hold harmless Ellis County from and against any election contest and from and against any and all claims made by any party regarding the accuracy, operation or use of the voting machines in recording or failing to record votes or for any purpose whatsoever or the training or lack of training in the proper use of the machines.

9. Lessee hereby agrees to indemnify and hold harmless County and its officers, officials, and employees from and against any loss, including claims, demands and causes of action and which loss, claim, demand or cause of action resulted from the performance or non-performance of Lessee or its agents, representatives or employees pursuant to the terms of this agreement.

10. This Agreement is entire as to all of the performance to be rendered under it. Breach of any material obligation to be performed by either party shall constitute a breach of the entire Agreement and shall give either party the right to immediately terminate this Agreement.

11. Lessee agrees to notify County of any change in the Designated Individuals within 14 calendar days of such change and will be responsible to assure the proper training of such individuals.

12. Either party hereto may voluntarily terminate this Agreement at any time upon sixty (60) days prior written notice to the other party sent as provided herein. Within seven (7) days after the date of termination, the Lessee shall return to County all Voting Machines, together with associated equipment and supplies.

13. Notice given pursuant to this Agreement shall be in writing and shall be given by United States certified mail, postage prepaid, addressed to the appropriate party as set forth below:

COUNTY: Bruce Sherbet, Ellis County Elections Administrator
106 S. Monroe St.
Waxahachie, Texas 75168

With a copy to: Patrick Wilson, County Attorney
109 S. Jackson St.
Waxahachie, Texas 75165

22. This agreement shall become effective after the authorization and approval of the governing body of Lessee acting through its presiding officer or official and upon approval by the Commissioners Court of Ellis County, Texas, as Lessor, acting through its County Judge.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first written above.

County of Ellis, State of Texas

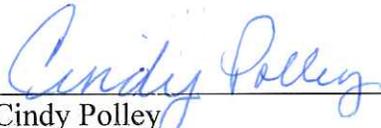
Lessee:



Carol Bush
Ellis County Judge

By: _____
Signature of Authorized Representative

Attest:



Cindy Polley
Ellis County Clerk

Printed Name and Title of Authorized
Representative of Lessee (City, School, or
Special District)

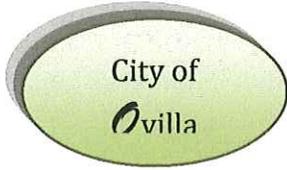


Bruce Sherbet
Ellis County Elections Administrator

Name of Lessee (City, School District, or
Special District)

Telephone: _____

E-Mail: _____



Ovilla City Council

PUBLIC HEARING & ITEM REPORT

Item 1

Meeting Date: March 09, 2015

Department: Administration/Public Works

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Brad Piland, PW Director

Amount: N/A

Reviewed By: Interim City Administrator City Secretary City Attorney

Accountant

Other: Staff

Attachments:

1. Application documents for re-plat filed by Mr. Ed. Harrison

Agenda Item / Topic:

Public Hearing/Presentation/ Comments:

1. Replat 201415.002. Receive presentation and citizen comments on a request filed by Mr. Ed Harrison, Triumph Development for a replat to Lots 20R, 21R and 22R, Block A, in the Ovilla Creek Estates Subdivision, Ovilla, TX 75154.
 - a. **Presentation** of Request for replat from Mr. Ed Harrison.
 - b. **PUBLIC HEARING** to receive comments from the public regarding the request.
 - c. **DISCUSSION/ACTION** – Replat 201415.002. Consideration of and action on the request filed by Mr. Ed Harrison of Triumph Development to replat Lots 20R, 21R and 22R, Block A, Ovilla Creek Estates Subdivision, Ovilla, TX 75154.

Discussion / Justification:

Replat No. 201415-002: A request filed by Mr. Ed Harrison of E.C. Harrison Properties, for Council's consideration to replat Lots 20R, 21R & 22R, Block A, in the Ovilla Creek Estates Residential Subdivision.

Current Zoning: R-15 (No changes) Lot 20R 18,120 sq. ft., 21R 15,247 sq. ft., 22R 17,008 sq. ft.

If approved, the lots still will meet the R-15 (Residential-15,000 sq. ft. lots) zoned requirements for the Residential Subdivision. Legal notice requirements have been met including 17 letters to residents within 200 ft.

Staff received two phone calls responsive to the mandated mailed letters:

1. No name, inquired only.
2. Mr. Walker, owns two lots: 317 & 315 Fountain Creek Court – was agreeable with the re-plat request
3. No opposition responses have been received.

DISCUSSION/ACTION – Replat No. 201415-002: *Consideration* of and action on the request, filed by Ed. Harrison, Triumph Development to replat Lots 20Rm 21R and 22R, Block A, Ovilla Creek Estates Subdivision, Ovilla, TX 75154.

Recommendation / Staff Comments:

Sample Motion(s):

I move that Council approve/deny the request filed by Ed. Harrison, Triumph Development, to replat Lots 20R, 21R and 22R, Block A, in the Ovilla Creek Estates Subdivision, Ovilla, TX 75154 as presented.



APPLICATION FORM FOR SHORT FORM PLAT/REPLAT APPROVAL
THE CITY OF OVILLA, TEXAS

DATE: 11/2/15

APPLICANT: TRIUMPH DEVELOPMENT CO.
(PLEASE PRINT)

ADDRESS: 1950 ST. ANDREW'S OVILLA 75154

TELEPHONE: 972-617-3900

APPLICANT'S INTEREST IN PROPERTY: OWNER
(Owner, Agent, Leaser(s), Option to Buy, Etc.)

Engineer or Land Planner Davis McDill Phone 972-938-1185

Mailing Address:
P.O. Box 428 WAXAHACHIE, TX 75168

Location of Property:
LOTS 20R, 21R & 22R

City Limits Extraterritorial Jurisdiction (ETJ)

Subdivision Name: OVILLA CREEK ESTATES

Area in Subdivision: 1 Total Acres 3 Number of Lots ___ Average Lot size

Short Form Application Fee \$200
Engineering Fee: \$20 per lot or acre (if required)

Fee Due City for Application \$ ___

DATE: 11/4/15

APPLICANT'S SIGNATURE: Ed Atkinson Pres.



APPLICATION FORM FOR SHORT FORM PLAT/REPLAT APPROVAL
THE CITY OF OVILLA, TEXAS
SHORT FORM PROCEDURE
Ovilla Code of Ordinances

CHAPTER 10

§ 10.02.391 General

The short form procedure may be followed for the approval of a subdivision when the land proposed to be subdivided or re-subdivided meets the following conditions and requirements:

1. Such land abuts upon a street of adequate width and is so situated that no additional streets and no alleys, easements or other public property are required.
2. City utilities are in place to serve each parcel or lot of such subdivision or re-subdivision, or arrangements to provide such utilities have been made with the City.
3. The topography of the tract and the surrounding lands is such that no regard needs to be given in such subdivision to drainage, or, where drainage facilities are required, arrangements have been made for the construction of such facilities.
4. Each lot meets the minimum lot requirements as set forth in {section} 10.02.127 {10.02.129}. The re-subdivision of any lot, tract or parcel of land within a rural subdivision shall not be permitted if the proposed lot(s) size has less than one-half acre.
5. The perimeter of the tract being subdivided has been surveyed and marked on the ground, and each corner of such proposed subdivision has been marked on the ground, and is tied to a corner of each tract being subdivided. A plat thereof shall be filed with the City as outlined in {section} 10.02.392 (a) & (b). (1989 Code, Ch.9, Sec.13.01)

§ 10.02.392 Submission

- a) The sub-divider shall provide eight (8) legible white print copies of the proposed plat to the City Secretary at least fifteen (15) days prior to the meeting at which approval is requested.
- b) Accompanying the submittal of the plat shall be the plat filing fee as set forth in the appendix, A8.000.
(1989 Code, Ch.9, Sec.13.01)

§ 10.02.393 Requirements

The plat shall be drawn in India ink on tracing cloth, Mylar or comparable substitute, sheets seventeen and one-half inches by twenty-three and one-half inches (17-1/2" x 23-1/2") and to an appropriate scale. The following information will be shown on or will accompany plat.

1. The name of the landowner or owners; the name of the registered public surveyor responsible for the preparation of the plat; the scale and location of each lot with reference to an original corner of the original subdivision or tract of which said land is a part; the date, north point, and total acres in the proposed subdivision or lots.
2. The certificate of the registered public surveyor who surveyed, mapped and monumented the land shall be placed on the face of the plat.
3. A certificate of ownership and dedication to the public of all easements signed and acknowledged before a notary public by the owners and any holders of liens against the land.
4. An accurate on-the-ground boundary survey of the property with bearing and distances and showing the lines of all adjacent land, streets, easements and alleys.
(1989 Code, Ch.9, Sec.13.01)



**APPLICATION FORM FOR SHORT FORM PLAT/REPLAT APPROVAL
THE CITY OF OVILLA, TEXAS**

REPLAT CHECK LIST

Please provide the following information/items as part of your submittal packet:

CURRENT & PROPOSED SURVEYS ATTACHED

RECEIPT SHOWING ALL PROPERTY TAXES PAID - ATTACHED.

EXISTING ZONING R-15- *Remains w/in current zoning classification*

TITLE BLOCK LISTING OF REPLAT, SUBDIVISION NAME, COMPLETE LEGAL DESCRIPTION OF PROPOSED PLAT/REPLAT.

PROPOSED USE OF PROPERTY (if other than current use).

SIZE OF PROPERTY 1.156 ACRES

REPLAT FEES PAID RECEIPT ATTACHED - # _____

DATE SUBMITTED: 1-12-15 HEARING DATE: 2-9-15

RECEIVED BY: _____



CITY OF OVILLA

PLAT AMENDMENT / SHORT FORM FEES

Plat Amendment:

- Application Fee \$400.00
- Engineering Fee \$50.00 per lot (residential)
\$50.00 per acre (non residential)

Plus 100% of engineering costs associated with review in excess of amounts already paid in advance.

Short Form Plat or Re-plat

- Application Fee \$200.00
- Engineering Fee \$20.00 per lot (residential)
\$20.00 per acre (non residential)

Sec. 10.02.091 Replats

(a) Any person who wishes to revise a subdivision plat which has been previously filed for record must make an application of the proposed revised plat to the city council. The replat of the subdivision shall meet all the requirements for a subdivision that may be pertinent. However, if the subdivision as replatted does not require any appreciable alteration or improvement of utility installations, streets, alleys, building setback lines, etc., then no engineering plans or preliminary plat will be required.

(b) In the event the proposed replat involves property which has been previously developed or zoned as single-family or duplex residential use then special requirements are triggered as follows:

(1) After an application is filed for a replat affecting single-family and duplex property, the city secretary shall give notice of the application to be published in the official newspaper of the city at least fifteen (15) days before the date of the city council meeting at which it is to be considered. Such notice must include a statement of the time and place at which the city council will meet to consider the replat and to hear protests to the revision at a public hearing. Additionally, written notice must be sent to all owners of property located within the two hundred feet (200') of the property upon which the replat is requested. Such notice may be served by depositing the notice, properly addressed and postage paid, at the local post office.

(2) If twenty percent (20%) or more of the property owners to whom notice has been required to be given file a written protest of the replatting before or at the public hearing, then the affirmative vote of at least three-fourths (3/4) of the city council members is required to approve the replat.

Payment Information

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Account No.: 233088

Receipt Date	Amount	Tax Year	Description	Payer
2013-12-27	\$462.09	2013	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2013-01-23	\$461.32	2012	Payment	TRIUMPH DEVELOPMENT CO INC
2012-01-31	\$460.67	2011	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2010-01-31	\$542.51	2010	Payment	TRIUMPH DEVELOPMENT CO INC
2010-01-31	\$465.14	2009	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2009-01-31	\$774.38	2008	Payment	TRIUMPH DEVELOPMENT CO INC
2008-01-23	\$537.27	2007	Payment	TRIUMPH DEVELOPMENT CO INC
2007-01-30	\$127.10	2006	Payment	TRIUMPH DEVELOPMENT COMPANY, INC

[Terms of Use](#)

ELLIS COUNTY TAX OFFICE
P.O. DRAWER 188 109 S. JACKSON RM T125
WAXAHACHIE, TX 75168
(972) 825-5150
You may also [e-mail](#) the office.

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Account No.: 233089

Receipt Date	Amount	Tax Year	Description	Payer
2014-12-26	\$551.36	2014	Payment	BB&T MORTGAGE
2013-12-27	\$462.09	2013	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2013-01-23	\$461.32	2012	Payment	TRIUMPH DEVELOPMENT CO INC
2012-01-31	\$460.67	2011	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2010-01-31	\$542.51	2010	Payment	TRIUMPH DEVELOPMENT CO INC
2010-01-31	\$465.14	2009	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
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Account No.: 233087

Receipt Date	Amount	Tax Year	Description	Payer
2013-12-27	\$462.09	2013	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2013-01-23	\$461.32	2012	Payment	TRIUMPH DEVELOPMENT CO INC
2012-01-31	\$460.67	2011	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
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2010-01-31	\$465.14	2009	Payment	TRIUMPH DEVELOPMENT COMPANY, INC
2009-01-31	\$774.38	2008	Payment	TRIUMPH DEVELOPMENT CO INC
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[Terms of Use](#)

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P.O. DRAWER 188 109 S. JACKSON RM T125
WAXAHACHIE, TX 75168
(972) 825-5150
You may also [e-mail](#) the office.

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FND 1/2" S.R.

(PLAT-N 89°54'32" E 177.38')
N 89°10'57" E 177.40'

FND 1/2" S.R.

02°03'32" W
43.64'

15' D.U.E. & B.L.

15' D.U.E. & B.L.

S 01°01'07" E 111.04'

(PLAT-SOUTH 111.15')

A

FND 1/2" S.R.

LOT 22

Lot 22R
17,008 Sq. Ft.

23
16,699 Sq. Ft.

NOTE: BASIS FOR ALL BEARINGS FROM GPS OBSERVATION

1
93 Ft.

12
15,035 Sq. Ft.

15' U.E. & B.L.
279.61'

15' U.E. 177.60' & B.L.

Lot 21
Lot 21R
15,247 Sq. Ft.

25' B.L.

76.31'

57.86'

15' U.E.

FND 1/2" S.R.

CONCRETE ROAD

FOUNTAIN CREEK COURT

25' B.L.

25' B.L.

5' D.U.E.

FND 1/2" S.R.

Original Lot Line
Variable Width D.U.E.

FND 1/2" S.R.

15

16

17

18

FND 1/2" S.R.

19

20

21

22

23

24

25

13

15,142 Sq. Ft.

Lot 20R
18,120 Sq. Ft.

19

25' B.L.

S 86°04'28" W
97.59' 10' U.E.

102.01'

1°03'56" W

102.01'

0.36'

16'25" W

15,761 Sq. Ft.

25' B.L.

25' B.L.

25' B.L.

25' B.L.

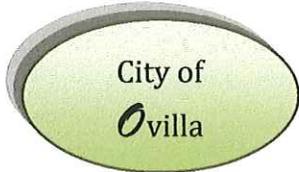
25' B.L.

25' B.L.

R=60'

CONCRETE ROAD

FOUNTAIN CREEK COURT



AGENDA ITEM REPORT

Item 2

Meeting Date: March 09, 2015

Department: Administration

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Mike Dooly, Code

Amount: N/A

Reviewed By: Interim City Administrator

City Secretary

City Attorney

Accountant

Other: Staff

Attachments:

1. Request, photos, site plan
2. Excerpt from Code referring to Meritorious Exceptions and schedule for permanent signs

Agenda Item / Topic:

ITEM 2. *DISCUSSION/ACTION - Consideration of and action on a Meritorious Exception request filed by Mr. Ed Harrison of E.C. Harrison Properties, Inc., to place an 8x8x2 monument sign at the southwest corner of 105 Ovilla Creek Court, the location of E.C. Harrison Properties, Inc. multi-tenant office building.*

Discussion / Justification:

Mr. Harrison presented staff with a request to erect a monument sign, placed on the property line at his recently constructed multi-tenant office building, located at the entrance of Ovilla Creek Estates Residential Subdivision, 105 Ovilla Creek Court, Lot 1, Block D. Ovilla's Code, Article 3.06 states that permanent signs be placed 10' behind the property line. The Ordinance allows that under request of an interested party, and recommendation by the administrative official, the City Council can consider a request for meritorious exception.

Recommendation / Staff Comments:

Staff has reviewed Mr. Harrison's request and the sign will not impose on the right-of-way or the utility easement. The sign would meet all other requirements of the ordinance.

Sample Motion(s):

I move to approve/deny a Meritorious Exception request filed by Mr. Harrison, E. C. Harrison Properties, to place a monument sign at the southwest corner of 105 Ovilla Creek Court, the location of E. C. Harrison Properties, Inc. multi-tenant office building as presented.

**E. C. Harrison Properties, Inc.
1950 St. Andrews
Ovilla, TX 75154
972-617-3900**

February 18, 2015

RE: Meritorious Exception for Sign Permit

Dear Council Member:

Harrison Homes has recently completed construction of a new multi-tenant office building outside of the entry gates at Ovilla Creek Estates. It is our desire to lease this office to professional types of businesses such as medical doctors, etc.

In order to enhance the professional appearance of the office, Harrison is requesting a meritorious exception for the placement of a monument sign to be located at 105 Ovilla Creek Court. Harrison desires to place the sign at the southwest corner of the property which will cause it to be 10' from the back of the curb.

The City's schedule for permanent signs requires the sign to be placed 10' behind the property line, making it 20' from the back of the curb. Following this guideline would make it more difficult to see this very nice brick and stone sign.

Allowing the sign to be built at 10' imposes no site restrictions for traffic nor will it interfere with pedestrian walkways. However, it will allow for the sign to be seen more easily by traffic on Ovilla Road as well as Ovilla Creek Court, thus making it more desirable for tenants to occupy this space.

Thank you for your consideration of this matter.

Sincerely,

E. C. HARRISON PROPERTIES, INC.

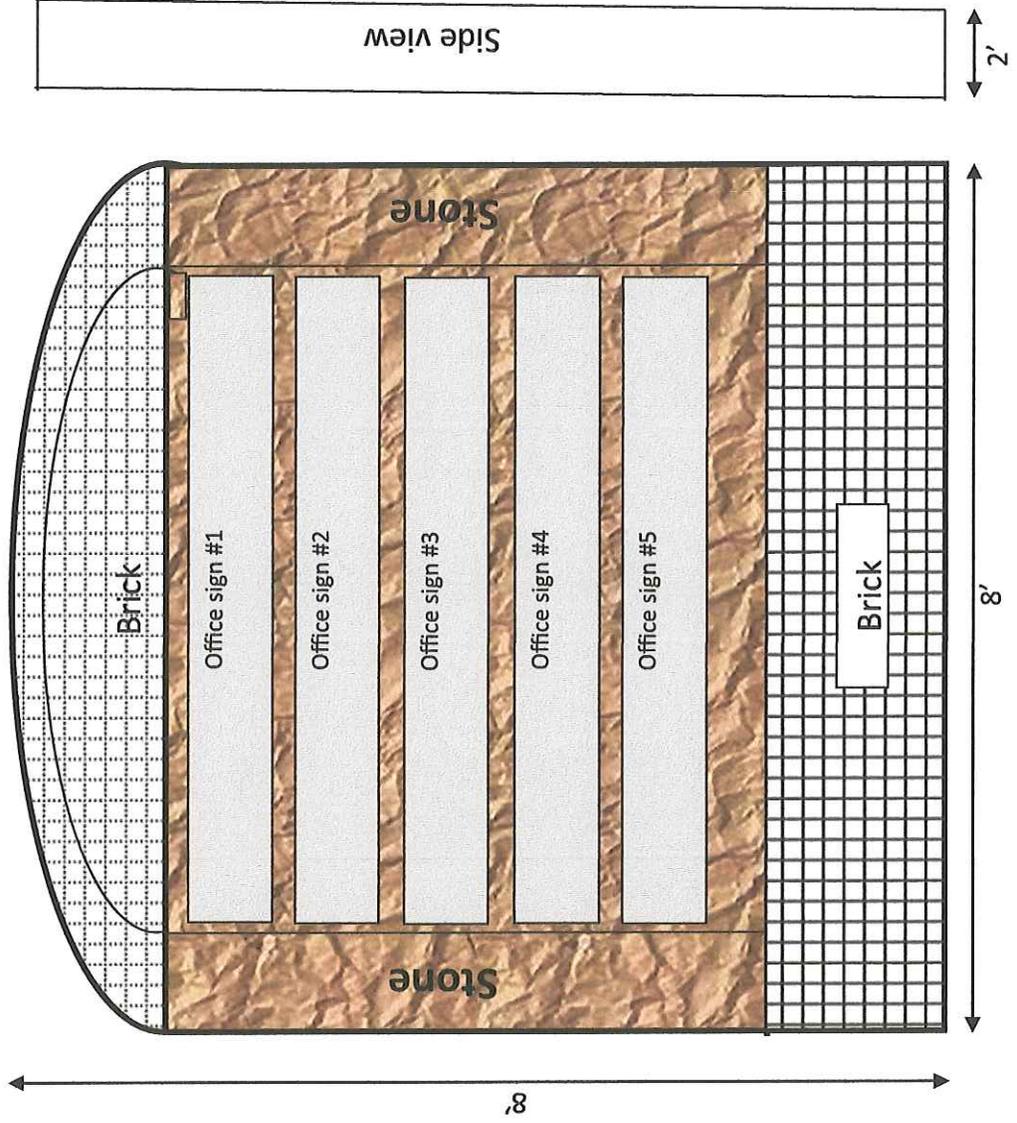
A handwritten signature in black ink, appearing to read "Ed Harrison", with a long horizontal flourish extending to the right.

Ed Harrison
President

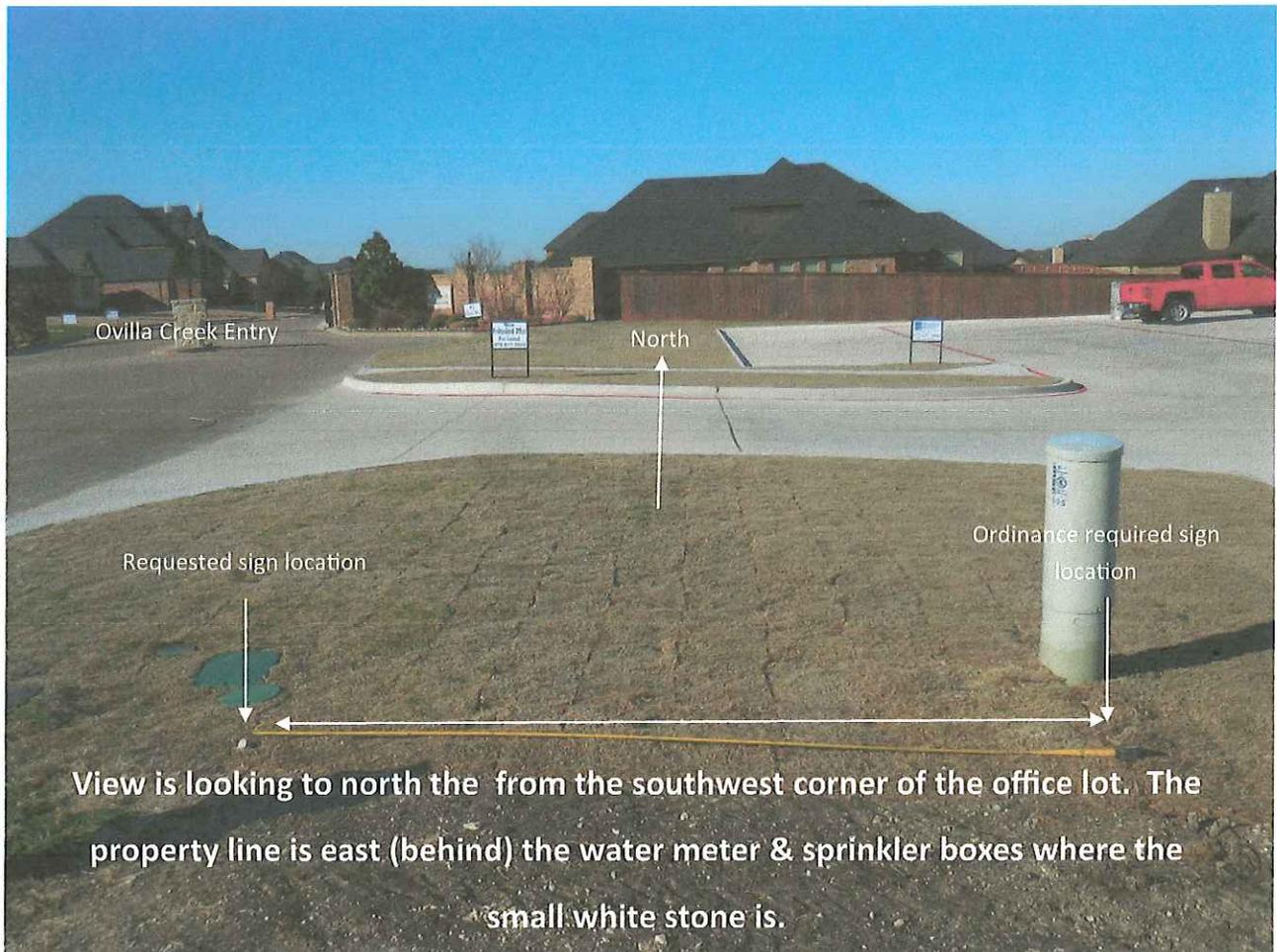
105 Ovilla Creek Court

Monument sign

8' deep X 8' tall X 2' wide









105 Ovilla Creek Court
New Ovilla office building



View is looking to the north from the southwest corner of the office lot. The property line is east (behind) the water meter & sprinkler boxes where the small white stone is.

Sec. 3.06.012 Granting of exceptions

(a) Generally. It is not the intention of these criteria to discourage innovation. It is entirely conceivable that signage proposals could be made that, while clearly nonconforming to this article and thus not allowable under these criteria, have obvious merit in not only being appropriate to the particular site or location, but also in making a positive contribution to the visual environment.

(b) Request for exception. Upon request of an interested party, the city council, upon recommendation by the administrative official, shall hear and shall seriously and fairly consider a request for a meritorious exception under this section.

(c) Conditions. The city council may impose conditions on the granting of an exception if the council deems such condition further carries out the intent and purpose of this article.

may be erected or placed on vacant lots or tracts unless written permission has been given by the property owner and such documentation is provided to the designated official upon the official's request.

(2) Exception. Real estate directional signs permitted herein and which meet the requirements of state law shall be posted no earlier than 12:00 noon on Friday and removed no later than 12:00 noon on Monday. If either Friday or Monday is a holiday, the permitted hours shall be extended to include any such holiday. Such signs shall be placed no closer than fifty (50) [feet] to any street intersection.

(g) Sight triangle. No permanent or temporary sign shall be located to block the visibility in the required sight triangle. No sign shall be erected or placed to impede vision in the visibility triangle areas on both sides of a driveway or alley intersecting a public street measuring seven (7) feet along the edge of the driveway and sixty (60) feet along the public street right-of-way line.

(h) Noncommercial messages. Any sign authorized in this article is allowed to contain a noncommercial message in place of any other authorized message.

(i) Off-premises signs. Off-premises signs are prohibited, with the exception of real estate directional signs or instructional signs, when written permission has been given by the property owner and such documentation is provided to the designated official upon the official's request (refer to tables for exceptions).

(j) Painted signs. No sign shall be permitted which is painted on the wall of any building or on any part of a building.

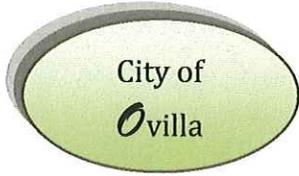
(k) Extraterritorial jurisdiction. If a proposed sign within the extraterritorial jurisdiction is proposed within 100 feet of both a residential and a nonresidential use, the sign shall comply with the most restrictive requirements.

(Ordinance 07-014, ex. A, sec. 3, adopted 8/13/07)

Sec. 3.06.004 Schedule for permanent signs

A person commits an offense if that person erects, places, displays or locates a permanent or temporary sign that does not meet the requirements of this article or tables included within.

Sign Type	Permitted District	Permit Required?	Maximum Area (sq. ft.)	Height of Sign	Number of Signs	Setback	Spacing of Signs
Wall	All non-residential uses and zoning districts	Yes	25% of wall facing the street	Attached to structure and not to exceed the roof line	One sign for each business or tenant, for each street frontage	—	—
Pole and pylon Monument	None	NA	NA	NA	NA	NA	NA
	All non-residential uses and zoning districts	Yes	100 sq. ft. in residential districts & RC; 200 sq. ft. in all other non-residential districts	8 feet 12 feet	One sign for each premises, or for each street frontage	10' (any portion of the sign)	No restrictions



Ovilla City Council

AGENDA ITEM REPORT

Item 3

Meeting Date: March 09, 2015

Department: Administration/Finance

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: N/A

Reviewed By: Interim City Administrator

City Secretary

City Attorney

Accountant

Other: Staff

Attachments:

1. Resolution R2015-004
2. Ashburne Glen HOA Agreement

Agenda Item / Topic:

ITEM 3. *DISCUSSION/ACTION* – *Consideration* of and action on Resolution R2015-004 authorizing the Mayor to renew an agreement by and between the City of Ovilla, Texas, and the Ashburne Glen Home Owner’s Association (HOA), for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.

Discussion / Justification:

In 2008, The City of Ovilla purchased an application to the City’s AVR Utility Billing software to properly run reports and account for HOA fees accurately. This application, including maintenance costs are reimbursed to the City by the Ashburne Glen Home Owner’s Association.

In 2011, The City of Ovilla revised the HOA Agreement for the collection and disbursement of HOA fees, which is the current Agreement presented to Council today. The Agreement renews every two years and is approved by the Ashburne Glen HOA. The presented renewal agreement is effective April 1, 2015.

Recommendation / Staff Comments:

Sample Motion(s):

I move to approve/deny Resolution R2015-004, authorizing the Mayor to renew an agreement by and between the City of Ovilla, Texas and the Ashburne Glen Home Owners Association for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.

RESOLUTION NO. R2015-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVILLA, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE, FOR AND ON BEHALF OF THE CITY OF OVILLA, TEXAS, AN AGREEMENT BY AND BETWEEN THE CITY OF OVILLA AND THE ASHBURNE GLEN HOME OWNERS ASSOCIATION (HOA), EFFECTIVE APRIL 01, 2015.

*** * * * ***

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVILLA:

Section 1. The City Council of the City of Ovilla hereby authorizes the Mayor to execute an Agreement by and between the City of Ovilla, Texas, and Ashburne Glen Home Owners Association (HOA) for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives.

Section 2. The Agreement shall commence on April 1, 2015 and shall remain in effect for two years, unless otherwise revised or canceled by either party as provided for herein.

Section 3. A copy of said Ashburne Glen Home Owners Association Agreement by and between the City of Ovilla, Texas and Ashburne Glen Home Owners Association is attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED, APPROVED, AND RESOLVED this 09 day of March 2015.

ATTEST: _____
Pamela Woodall, **CITY SECRETARY**

APPROVED: _____
Richard Dormier, **MAYOR**

City of Ovilla and Ashburne Glen-Ovilla Agreement

AGREEMENT FOR THE COLLECTION AND DISBURSEMENT OF HOMEOWNERS ASSOCIATION DUES

This Agreement is entered into this ____ day of **March, 2015**, by and between the **City of Ovilla**, a municipal corporation (herein "City") with its principal offices located at 105. S. Cockrell Hill Road, Suite 2, Ovilla, Texas 75154 and the **Ashburne Glen Homeowners Association, Inc.**, a Texas not-for-profit corporation (herein "Association") with its principal offices located at P.O. Box 782, Red Oak, Texas 75154, both acting through their duly authorized officers and representatives.

WHEREAS, the City has collected funds in conjunction with monthly water bills from City residents who reside in the Ashburne Glen addition (herein "Addition") to satisfy homeowners association dues on behalf of said Association and has subsequently disbursed those collected funds to said Association on a monthly basis, and

WHEREAS, both the City and the Association are desirous of establishing and maintaining an equitable arrangement for the collection and disbursement of Association dues in a manner that provides fair and reasonable reimbursement to the City for such costs incurred while respecting the rights and autonomy of the Association to conduct its business in the manner it deems proper and to operate free of any additional encumbrances by the City;

NOW, THEREFORE, for and in consideration of the covenants herein, the City and the Association do hereby agree as follows:

1. **Term.** This Agreement shall commence on **April 1, 2015** and shall remain in effect for two years, unless otherwise revised or canceled by either party as provided for herein. Said Agreement shall then self-renew without need for any additional action by either party hereto for such additional one year terms, provided however that either party may request in writing, an amendment or modification to, or express its intention to not renew said Agreement no less than sixty (60) days prior to the renewal date.
2. **Ongoing Expenses and Proportional Reimbursement.** As a result of considerations provided for in prior Agreements between the City and the Association, it is hereby stipulated that the City shall incur an annual accounting software maintenance and service fee. It is further stipulated that the City additionally shall incur direct labor expenses associated with writing and delivery of monthly disbursement checks to all homeowners associations similarly situated in the City. The Association hereby agrees that it will pay the amount of \$766.00 (Seven Hundred Sixty-Six Dollars and No Cents) as its fractional share and apportioned cost of the aforementioned maintenance, service and labor costs on an annual basis, said payment being due and payable no later than **April 1** of each year during which this Agreement remains in force. The City acknowledges that this payment shall represent the full and total ongoing annual expense to the Association for the collection and disbursement of Association dues to the Association and any other appurtenant or related services provided by the City to the Association as provided herein. It is the City's responsibility to obtain the balance of said maintenance, service and labor expenses proportionally from all other homeowners associations similarly situated or to pay the balance itself. In the event that other homeowners associations shall desire to enter into a similar agreement with the City to perform similar services of collection and disbursement, this amount shall be recalculated so that all similarly situated homeowners associations shall pay an identical proportional amount of the total annual expenses and

City of Ovilla and Ashburne Glen-Ovilla Agreement

costs contemplated herein as determined by the total number of residences represented by each homeowners association. However, should other similarly situated homeowners associations cease any such existing or future relationship with the City, the Association shall not be penalized in any manner nor shall the Association's apportioned costs for this service increase during the term of this Agreement.

3. **Collection of Association Dues.** The City shall, as a part of each Ashburne Glen resident's monthly water bill, include an amount due as authorized and directed by the Association in accordance with its Bylaws for the Association's monthly homeowners association dues. This amount shall be due and payable to the City on behalf of the Association at the same time and date as the remainder of the City's water bill. Provided the full amount owing of any water bill is paid as required, the City shall allocate the appropriate homeowners association dues collected strictly to the benefit of the Association. In the event that any resident shall make only partial payment on any water bill, all amounts paid shall be credited first to the amounts owed to the City, with the Association dues remaining unpaid fully or partially. In such an event of no or partial payment, the City shall include this information to the Association as a part of the monthly report detailed herein, and the City shall not be responsible for disbursing any Association dues unpaid by any resident to the Association, nor shall the City have any further duty to collect or attempt to collect any such unpaid Association dues.
4. **Amount of Association Dues.** The Association shall have the authority and responsibility for setting the amount of dues assessed to its members. In the event that the Association elects through the approval of its membership to alter the assessed dues, the Association shall notify the City in writing as soon as such alteration is approved or otherwise enacted. The City hereby agrees that it will effect such changes as may be necessary in the operation of its billing practices to reflect the alteration in Association dues in its monthly billing as soon as possible, but in no case more than thirty (30) days from the date of such notification by the Association.
5. **Disbursement of Association Dues.** Once each month of the year, the City shall cause the entirety of the dues collected on behalf of the Association during the previous month to be disbursed to the Association by means of a check, drawn on the City's operating account and payable to the Association. Said check shall be processed and mailed or otherwise delivered at City's expense to the Association's designated representative at the address provided by the Association. Said check shall be prepared and delivered by no later than the fifteenth day of the month following the end of the month in which said dues were collected. The Association shall examine the amount disbursed in consideration of the monthly reports provided by the City, and in the event of a discrepancy, notify the City no later than the last day of the month following the month for which the check has been disbursed. The City and the Association shall make all reasonable efforts necessary to reconcile any amounts in dispute. The City shall make no deductions from any disbursement check or assess any additional fees except as may be detailed in this Agreement, but shall make full payment and disbursement for any and all dues collected during the previous month.
6. **Additional Services.** The City shall provide a report to the Association once each month detailing those residences in the Ashburne Glen addition from which the City has collected homeowners' association dues during the previous monthly billing cycle. Said reports shall be prepared at no additional cost to the Association. The reports shall be electronically transmitted via email to a designated recipient of the Association no later

City of Ovilla and Ashburne Glen-Ovilla Agreement

than the fifteenth day of each month by the close of business that day, legal holidays and weekends excepted. The City shall not be obliged to mail or otherwise deliver the reports or incur any additional expenses in the event of the Association's failure to retrieve said report, however reasonable accommodations to re-transmit the monthly report electronically shall be made in the event of an unavoidable failure of the report to be transmitted by the City or received by its intended recipient. The City agrees to provide reasonable care in the preparation and delivery of said reports with respect to their accuracy, completeness, and timeliness, but expresses no other warranty or guarantee of service or appropriateness for any specific purpose.

7. **Agreement Strictly Limited.** With respect to this Agreement, the City solely provides a service to the Association to satisfactorily provide for the collection and disbursement of Association dues as defined by the Association and to provide the reports as defined herein in return for the fees herein payable by the Association. Nothing in this Agreement shall be construed or interpreted in any manner so as to create or define any other relationship between the City and the Association. The City is not an employer, agent, officer, member, representative, heir, successor, employee or assign of the Association and has no additional authority, responsibilities, duties, or privileges as a result of this Agreement or in regards to the operation of any other legitimate business conducted by the Association or its membership. Similarly, the Association is not an employer, agent, representative, employee, officer, heir, successor or assign of the City and has no additional authority, responsibilities, duties or privileges as a result of this Agreement as regards the conduct of any other legitimate business on the part of the City, its representatives or employees.
8. **Enforcement.** This Agreement shall be enforceable under the laws of the State of Texas, which shall govern the interpretation, validity and performance of this Agreement. Ellis County shall be the exclusive venue for bringing any action to enforce the terms and conditions of this Agreement.
9. **Severability.** If any portion or provision of this Agreement is held to be illegal, invalid, void or unenforceable under present or future laws effective during the term of the Agreement, the legality, validity and enforceability of the remaining provisions and portions of the Agreement shall not be affected thereby.
10. **Notice.** All notices under this Agreement, with the exception of the monthly reports detailed herein, shall be made in writing and either hand-delivered, delivered by courier or transmitted by certified or registered mail to the address provided by the parties. Any notice required by this Agreement shall be deemed given and received when delivered by hand to that address or when deposited in a facility maintained by and under the control of the United State Postal Service, postage prepaid, and properly addressed to the intended recipient.
11. **Force Majeure.** Neither party shall be liable for damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, government restrictions, wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected, computer software and hardware malfunctions excluded.

City of Ovilla and Ashburne Glen-Ovilla Agreement

12. Entire Agreement. This Agreement constitutes the entire Agreement between the parties and may be modified or amended only by written agreement of the parties. This Agreement shall supersede any prior such Agreements, either verbal or in writing, relating to the collection and disbursement of Association dues by the City.

IN WITNESSES WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement on the day and year first written above.

ATTEST:

CITY OF OVILLA, TEXAS

Pamela Woodall, City Secretary

By: _____
Richard Dormier, Mayor

ASHBURNE GLEN HOMEOWNERS
ASSOCIATION, INC.

By: _____
_____, President

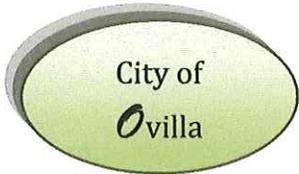
HOA Agreement with Ashburne Glen & Homeowner's of Meadow Glen

Original Agreement Commencement Date: 04-01-2009

Term of Agreement two years ending on 4-1-2015,
May renew for additional 1 year terms.

Date	Description	Amount	Totals
	Time to Prepare Monthly HOA Reports & % of AVR Software Expense	month	annual cost
	Tammy McCoy's Time (.50 hrs. per month @ 19.41 per Hour)	\$9.71	\$116.52
	Linda Harding Time (.75 hrs. per month @ 23.77 per Hour)	\$17.83	\$213.96
	AVR Software annual Cost (3434.00) & Maint. (\$371.00) X 2% HOA Share	\$6.34	\$76.08
	TOTAL PREPARATION COST AND SOFTWARE	\$33.88	\$406.56
		annual	combined total
	Ashburne Glen for 2014-2015\ HOA Annual Fees	(\$766.00)	
	Homeowners of Meadow Glen for 2014-2015 HOA Annual Fees	(\$249.00)	
			(\$1,015.00)
	Net Revenue to the City per year (After HOA's Pay Annual Fees)		(\$608.44)
	(Does not include overhead, processing charges or equipment)		

COST VS REVENUE ANALYSIS REPORT (FEBRUARY 2015)



AGENDA ITEM REPORT

Item 4

Meeting Date: March 09, 2015

Department: Administration/Finance

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: N/A

Reviewed By: Interim City Administrator

City Secretary

City Attorney

Accountant

Other: Staff

Attachments:

- 1. Resolution R2015-005
- 2. Meadow Glen Agreement

Agenda Item / Topic:

ITEM 4. **DISCUSSION/ACTION** – *Consideration* of and action on Resolution R2015-005 authorizing the Mayor to renew an agreement between the City of Ovilla and the Meadow Glen Home Owner’s Association (HOA), for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.

Discussion / Justification:

In 2008, The City of Ovilla purchased an application to the City’s AVR Utility Billing software to properly run reports and account for HOA fees accurately. This application, including maintenance costs are reimbursed to the City by the Meadow Glen Home Owner’s Association.

In 2011, The City of Ovilla revised the HOA Agreement for the collection and disbursement of HOA fees, which is the current Agreement presented to Council today. The Agreement renews every two years and is approved by the Meadow Glen HOA. The presented renewal agreement is effective April 1, 2015.

Recommendation / Staff Comments:

Sample Motion(s):

I move to approve/deny Resolution R2015-005, authorizing the Mayor to renew an agreement by and between the City of Ovilla, Texas and the Meadow Glen Home Owners Association for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives to be effective April 1, 2015.

RESOLUTION NO. R2015-005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVILLA, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE, FOR AND ON BEHALF OF THE CITY OF OVILLA, TEXAS, AN AGREEMENT BY AND BETWEEN THE CITY OF OVILLA AND THE MEADOW GLEN HOME OWNERS ASSOCIATION (HOA), EFFECTIVE APRIL 01, 2015.

*** * * * ***

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVILLA:

Section 1. The City Council of the City of Ovilla hereby authorizes the Mayor to execute an Agreement by and between the City of Ovilla, Texas, and Meadow Glen Home Owners Association (HOA) for the collection and disbursement of HOA dues, both acting through their duly authorized officers and representatives.

Section 2. The Agreement shall commence on April 1, 2015 and shall remain in effect for two years, unless otherwise revised or canceled by either party as provided for herein.

Section 3. A copy of said Meadow Glen Home Owners Association Agreement by and between the City of Ovilla, Texas and Meadow Glen Home Owners Association is attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED, APPROVED, AND RESOLVED this 09 day of March 2015.

ATTEST: _____
Pamela Woodall, **CITY SECRETARY**

APPROVED: _____
Richard Dormier, **MAYOR**

City of Ovilla and Meadow Glen-Ovilla Agreement

**AGREEMENT FOR THE COLLECTION AND DISBURSEMENT
OF HOMEOWNERS ASSOCIATION DUES**

This Agreement is entered into this _____ day of **March, 2015**; by and between the City of Ovilla, a municipal corporation (herein "City") with its principal offices located at 105 S. Cockrell Hill Road, Suite 2, Ovilla, Texas 75154 and **Homeowners of Meadow Glen – Ovilla**, a private property owners association (herein "Association") with its principal offices located at 134 Meadow Glen Court, Ovilla, Texas 75154, both acting through their duly authorized officers and representatives.

WHEREAS, the City has collected funds in conjunction with monthly water bills from City residents who reside in the Meadow Glen addition to satisfy homeowners association dues on behalf of said Association and has subsequently disbursed those collected funds to said Association on a monthly basis, and

WHEREAS, the City has historically incurred certain expenses in conducting said collection and disbursement of such funds, and

WHEREAS, both the City and the Association are desirous of establishing a more equitable arrangement for the collection and disbursement of Association dues in a manner that provides fair and reasonable reimbursement to the City for such cost incurred while respecting the rights and autonomy of the Association to conduct its business in the manner it deems fit and proper and to operate free of any additional encumbrances by the City,

NOW, THEREFORE, for and in consideration of the covenants herein, the City and the Association do hereby agree as follows:

1. **Term.** This Agreement shall commence on **April 1, 2015** and shall remain in effect for two years, unless otherwise revised or cancelled by either party as provided for herein. Said Agreement shall then self-renew without need for any additional action by either party hereto for such additional one-year terms, provided however that either party may request in writing an amendment, or modification to, or express its intention to not renew said Agreement no less than sixty (60) days prior to the renewal date.
2. **Ongoing Expenses and Proportional Reimbursement.** Subsequent to the purchase of the Software, the City shall incur an annual maintenance and service fee from the Software distributor. The City additionally asserts that it will incur direct labor expenses associated with writing and delivery of monthly disbursement checks to all homeowners associations similarly situated in the City. The Association hereby agrees that it will pay the amount of \$249.00 (Two Hundred Forty-Nine Dollars and No Cents) as its fractional share and apportioned cost of the aforementioned maintenance, service and labor costs on an annual basis, said payment being due and payable no later than **April 1**; the beginning of each contract year, during which this Agreement remains in force. The City acknowledges that this payment shall represent the full and total ongoing annual expense to the Association for the collection and disbursement of Association dues to the Association and any other appurtenant services provided by the City to the Association as provided here herein. The

City of Ovilla and Meadow Glen-Ovilla Agreement

City shall obtain the balance of said maintenance, service and labor expenses proportionally from all other homeowners associations similarly situated. In the event that other homeowners associations shall desire to enter into a similar agreement with the City to perform similar services of collection and disbursement, this amount shall be recalculated so that all similarly situated homeowners associations shall pay an identical proportional amount of the annual expenses and costs as determined by the total number of residences represented by each homeowners association.

3. **Collection of Association Dues.** The City shall, as a part of each Meadow Glen resident's monthly water bill, include an amount due as authorized and directed by the Association in accordance with its Bylaws for the Association's monthly homeowners association dues. This amount shall be due and payable to the City on behalf of the Association at the same time and date as the remainder of the City's water bill. Provided the full amount owing of any water bill is paid as required, the City shall allocate the appropriate Association dues collected strictly to the benefit of the Association. In the event that any resident shall make only partial payment on any water bill, all amounts paid shall be credited first to the amounts owed to the City, with the Association dues remaining unpaid fully or partially. In such an event of no or partial payment, the City shall include this information to the Association as a part of the monthly report detailed herein, and the City shall not be responsible for disbursing any Association dues unpaid by any resident to the Association, nor shall the City have any further duty to collect or attempt to collect any such unpaid Association dues.
4. **Amount of Association Dues.** The Association shall have the sole authority and responsibility for setting the amount of dues assessed to its members. In the event that Association elects to alter the assessed dues, the Association shall notify the City in writing as soon as such alteration is approved or otherwise enacted. The City hereby agrees that it will effect such changes as may be necessary in the operation of its billing practices to reflect the alteration in Association dues in its monthly billing as soon as possible, but in no case more than thirty (30) days from the date of such notification by the Association.
5. **Disbursement of Association Dues.** Once each month of the year, the City shall cause the entirety of the dues collected on behalf of the Association during the previous month to be disbursed to the Association by means of a check, drawn on the City's operating account and payable to the Association. Said check shall be processed and mailed or otherwise delivered at City's expense to the Association's designated representative at the address provided by the Association. Said check shall be prepared and delivered by no later than the last day of the month following the end of the month in which said dues were collected. The Association shall examine the amount disbursed in consideration of the monthly reports provided by the City, and in the event of a discrepancy, notify the City no later than the last day of the month following the month for which the check has been disbursed. The City and the Association shall make all reasonable efforts necessary to reconcile any amounts in dispute. The City shall make no deductions from any disbursement check or assess any

City of Ovilla and Meadow Glen-Ovilla Agreement

additional fees except as may be detailed in this Agreement, but shall make full payment and disbursement for any and all dues collected during the previous month.

6. **Additional Services.** As a result of the purchase of the Software, the City intends to increase its capabilities and flexibility as regards its billing and accounting for City services, and therefore, subsequent to the installation of the Software shall provide a report to the Association once each month detailing those residences in the Meadow Glen addition from which the City has collected homeowners association dues during the previous billing cycles in said month. Said reports shall be prepared at no additional cost to the Association. The reports shall be electronically transmitted via email to a designated recipient of the Association no later than the end of the month following the close of the month, legal holidays and weekends excepted. The City shall not be obliged to mail or otherwise deliver the reports or incur any additional expenses in the event of the Association's failure to retrieve said report, however reasonable accommodations to retransmit the monthly report electronically shall be made in the event of an unavoidable failure of the report to be transmitted by the City or received by its intended recipient. The City agrees to provide reasonable care in the preparation and delivery of said reports as regards to their accuracy, completeness, and timeliness, but expresses no other warranty or guarantee of service or appropriateness for any specific purpose.

7. **Agreement Strictly Limited.** With respect to the Agreement, the City solely provides a service to the Association to satisfactorily provide for the collection and disbursement of Association dues as defined by the Association and to provide the reports as defined herein in return for the fees herein payable by the Association. Nothing in this Agreement shall be construed or interpreted in any manner so as to create or define any other relationship between the City and the Association. The City is not an employer, agent, officer, member, representative, heir, successor, employee or assign of the Association and has no additional authority, responsibilities, duties, or privileges as a result of this Agreement or in regards to the operation of any other legitimate business conducted by the Association or its membership. Similarly, the Association is not an employer, agent, representative, employee, officer, heir, successor or assign of the City and has no additional authority, responsibilities, duties or privileges as a result of the Agreement as regards to the conduct of any other legitimate business on the part of the City, its representatives or employees.

8. **Enforcement.** This Agreement shall be enforceable under laws of the State of Texas, which shall govern the interpretation, validity and performance of this Agreement. Ellis County shall be the exclusive venue for bringing any action to enforce the terms and conditions of this Agreement.

9. **Severability.** If any portion or provision of this Agreement is held to be illegal, invalid, void or unenforceable under present or future laws effective during the term of the Agreement, the legality, validity and enforceability of the remaining provisions and portions of the Agreement shall not be affected thereby.

City of Ovilla and Meadow Glen-Ovilla Agreement

10. **Notice.** All notices under this Agreement, with the exception of the monthly reports detailed herein, shall be made in writing and hand-delivered, delivered by courier or transmitted by certified or registered mail to the address provided by the parties. Any notice required by this Agreement shall be deemed given and received when delivered by hand to that address or when deposited in a facility maintained by and under the control of the United State Postal Service, postage prepaid, and properly addressed to the intended recipient.
11. **Force Majeure.** Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is cause by conditions beyond its control including, but not limited to Acts of God, government restrictions, wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected, computer software and hardware malfunctions excluded.
12. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties and may be modified or amended only by written agreement of the parties. This Agreement shall supersede any prior such Agreements, either verbal or in writing, relating to the collection and disbursement of Association dues by the City.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement on the day and year first written above.

ATTEST;

CITY OF OVILLA, TEXAS

By: _____

City Secretary Pamela Woodall

Mayor Richard Dormier

HOMEOWNERS OF MEADOW GLEN-
OVILLA

By: 

Ralph G. Hall, Chairman

HOA Agreement with Ashburne Glen & Homeowner's of Meadow Glen

Original Agreement Commencement Date: 04-01-2009

**Term of Agreement two years ending on 4-1-2015,
May renew for additional 1 year terms.**

Date	Description	Amount	Totals
	Time to Prepare Monthly HOA Reports & % of AVR Software Expense	month	annual cost
	Tammy McCoy's Time (.50 hrs. per month @ 19.41 per Hour)	\$9.71	\$116.52
	Linda Harding Time (.75 hrs. per month @ 23.77 per Hour)	\$17.83	\$213.96
	AVR Software annual Cost (3434.00) & Maint. (\$371.00) X 2% HOA Share	\$6.34	\$76.08
	COMBINED TOTAL FOR HOA PREPARATION COST AND SOFTWARE	\$33.88	\$406.56
		annual	combined total
	Ashburne Glen for 2014-2015\ HOA Annual Fees	(\$766.00)	
	Homeowners of Meadow Glen for 2014-2015 HOA Annual Fees	(\$249.00)	
			(\$1,015.00)
	Net Revenue to the City per year (After HOA's Pay Annual Fees)		(\$608.44)
	(Does not include overhead, processing charges or equipment)		

COST VS REVENUE ANALYSIS REPORT (FEBRUARY 2015)



Ovilla City Council

AGENDA ITEM REPORT

Item 5

Meeting Date: March 09, 2015

Department: Administration/Public Works

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: \$30,000

Reviewed By: Interim City Administrator

City Secretary

City Attorney

Accountant

Other: Staff

Attachments:

1. Resolution R2015-006
2. TxDOT Agreement

Agenda Item / Topic:

ITEM 5. **DISCUSSION/ACTION** – *Consideration* of and action on Resolution R2015-006 authorizing the Mayor execute an agreement between the State of Texas, acting through the Texas Department of Transportation and the City of Ovilla, for the city's contribution of right-of-way funds, payable in incremental payments, for the project on Highway FM664 from Westmoreland Road to IH 35E.

Discussion / Justification:

The State has determined the necessity to make highway improvements on Highway FM 664 Westmoreland Road to IH 35E, and the project scope includes the widening from 2 lanes to 6 urban divided, including intersection improvements. This section of improvement necessitates the acquisition of certain right-of-way and the relocating and adjustment of utilities. The City has requested the State assume responsibility for the right-of-way acquisition and utilities adjustment. Therefore, the City is required to enter into a fixed price joint participation agreement to contribute to the State funding participation.

The City of Ovilla has been approved by the State to pay its funding obligation in three (3) incremental payments. The total is \$88, 236.10. The three (3) incremental payments would be \$30,000.00, \$29,118.05, and \$29,118.05. The initial payment of \$30,000.00 is due before the acquisition and utility adjustments process is initiated.

Recommendation / Staff Comments:

Sample Motion(s):

I move to approve/deny Resolution R2015-006, authorizing the Mayor execute an agreement between the State of Texas, acting through the Texas Department of Transportation and the City of Ovilla, for the city's contribution of right-of-way funds, payable in incremental payments, for the project on Highway FM664 from Westmoreland Road to IH 35E.

**Standard Agreement to Contribute
State Performs Work
Fixed Price or Incremental Payments
Attachment C**

Description	Total Estimated Cost	State Participation		Local Participation	
		%	Cost	%	Cost
Right of Way Acquisition	\$1,686,619.70	94.9%	\$1,600,602.00	5.1%	\$86,017.60
Reimbursable Utility Adjustments	\$ 43,500.00	94.9%	\$ 41,281.50	5.1%	\$ 2,218.50
Joint Bid Reimbursable Utility Adjustments	\$0	0%	\$0	0%	\$0
	\$0	0%	\$0	0%	\$0
	\$0	0%	\$0	0%	\$0
TOTAL	\$1,730,119.70	94.9%	\$1,641,883.50	5.1%	\$88,236.10

Local Government requested approval for incremental payments of its funding obligation pursuant to 43 TAC §15.52 and the executive Director has approved the request. Attached is completed Special Approval Form – AED Approval.

Initial payment by the Local Government to the State with execution of agreement. \$0

Fixed Price \$ _____ or the following incremental payment schedule.

Dollars \$ 30,000.00 on or before _____,

Dollars \$ 29,118.05 on or before _____,

Dollars \$ 29,118.05 on or before _____.

This is an estimate. The final amount of Local Government participation will be based on actual costs.

County Ellis
District Dallas
ROW CSJ # 1051-01-043
CCSJ # 1051-01-037
Federal Project #: _____
Federal Highway Administration
CFDA # 20.205
Not Research and Development

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT TO CONTRIBUTE RIGHT OF WAY FUNDS (FIXED PRICE)

THIS AGREEMENT is made by and between the State of Texas, acting through the Texas Department of Transportation, (the "**State**"), and City of Ovilla, Texas, acting through its duly authorized officials (the "**Local Government**").

WITNESSETH

WHEREAS, Texas Transportation Code §§ 201.103 and 222.052 establish that the State shall design, construct, and operate a system of highways in cooperation with local governments; and

WHEREAS, Texas Transportation Code, §§ 201.209 authorizes the State and a Local Government to enter into agreements in accordance with Texas Government Code, Chapter 791; and

WHEREAS, the State has deemed it necessary to make certain highway improvements on Highway No. FM 664 from Westmoreland Road to IH 35E, and this section of highway improvements will necessitate the acquisition of certain right of way and the relocating and adjusting of utilities (the "**Project**"); and

WHEREAS, the Local Government requests that the State assume responsibility for acquisition of all necessary right of way and adjustment of utilities for this highway project; and

WHEREAS, the Local Government desires to enter into a fixed price joint participation agreement pursuant to 43 TAC §15.52 to contribute to the State funding participation as defined in 43 TAC §15.55 for the cost of acquiring the right of way and relocating or adjusting utilities for the proper improvement of the State Highway System;

WHEREAS, the Governing Body of the Local Government has approved entering into this agreement by resolution or ordinance dated _____, 20__, which is attached to and made a part of this agreement as Attachment A. A map showing the Project location appears in Attachment B, which is attached to and made a part of this agreement.

NOW THEREFORE, the State and the Local Government do agree as follows:

County Ellis
District Dallas
ROW CSJ # 1051-01-043
CCSJ # 1051-01-037
Federal Project #: _____
Federal Highway Administration
CFDA # 20.205
Not Research and Development

AGREEMENT

1. Agreement Period

This agreement becomes effective when signed by the last party whose signing makes the agreement fully executed. This agreement shall remain in effect until the Project is completed or unless terminated as provided below.

2. Termination

This agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

- A. The agreement is terminated in writing with the mutual consent of the parties;
- B. The agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party; or
- C. The Project is inactive for thirty-six (36) months or longer and no expenditures have been charged against federal funds, in which case the State may in its discretion terminate this agreement.

3. Local Project Sources and Uses of Funds

- A. The total estimated cost of the Project is shown in Attachment C, Project Budget Estimate and Payment Schedule, which is attached to and made a part of this agreement. The expected cash contributions from the Federal or State government, the Local Government, or other parties is shown in Attachment C. The Local Government shall pay to the State the amount shown in Attachment C as its required contribution of the total cost of the Project and shall transmit to the State with the return of this agreement, duly executed by the Local Government, a warrant or check for the amount and according to the payment schedule shown in Attachment C.
- B. The Local Government's fixed price contribution set forth in Attachment C is not subject to adjustment unless:
 - 1. site conditions change;
 - 2. work requested by the Local Government is ineligible for federal participation; or
 - 3. the adjustment is mutually agreed on by the State and the Local Government.
- C. If the Local Government will perform any work under this contract for which reimbursement will be provided by or through the State, the Local Government must complete training before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled *Local Government Project Procedures Qualification for the Texas Department of Transportation*. The Local Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local

County Ellis
District Dallas
ROW CSJ # 1051-01-043
CCSJ # 1051-01-037
Federal Project #: _____
Federal Highway Administration
CFDA # 20.205
Not Research and Development

Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not designated a qualified individual to oversee the Project.

- D. Whenever funds are paid by the Local Government to the State under this agreement, the Local Government shall remit a warrant or check made payable to the "Texas Department of Transportation Trust Fund." The warrant or check shall be deposited by the State in an escrow account to be managed by the State. Funds in the escrow account may only be applied to this highway project.
- E. Notwithstanding that this is a fixed price agreement, the Local Government agrees that in the event any existing, future, or proposed Local Government ordinance, commissioner's court order, rule, policy, or other directive, including, but not limited to, outdoor advertising or storm water drainage facility requirements, is more restrictive than State or federal regulations, or any other locally proposed change, including, but not limited to, plats or re-plats, results in any increased costs to the State, then the Local Government will pay one hundred percent (100%) of all those increased costs, even if the applicable county qualifies as an Economically Disadvantaged County (EDC). The amount of the increased costs associated with the existing, future, or proposed Local Government ordinance, commissioner's court order, rule, policy, or other directive will be determined by the State at its sole discretion.
- F. If the Local Government is an EDC and if the State has approved adjustments to the standard financing arrangement, this agreement reflects those adjustments.
- G. If the Project has been approved for an "incremental payment" non-standard funding or payment arrangement under 43 TAC §15.52, the budget in Attachment C will clearly state the incremental payment schedule.

4. Real Property in Lieu of Monetary Payment

- A. Contributions of real property may be credited to the Local Government's funding obligation for the cost of right of way to be acquired for this project. Credit for all real property, other than property which is already dedicated or in use as a public road, contributed by the Local Government to the State shall be based on the property's fair market value established as of the effective date of this agreement. The fair market value shall not include increases or decreases in value caused by the project and should include the value of the land and improvements being conveyed, excluding any damages to the remainder. The amount of any credit for real property contributed for this project is clearly shown in Attachment C.
- B. The Local Government will provide to the State all documentation to support the determined fair market value of the donated property. This documentation shall include an appraisal of the property by a licensed appraiser approved by the State. The cost of appraisal will be the responsibility of the State. The State will review the submitted documentation and make a final determination of value; provided however, the State may perform any additional investigation deemed necessary, including supplemental appraisal work by State employees or employment of fee appraisers.

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- C. Credit shall be given only for property transferred at no cost to the State after the effective date of this agreement and the issuance of spending authority, and only for property which is necessary to complete this project, has title acceptable to the State, and is not contaminated with hazardous materials. Credit shall be in lieu of monetary contributions required to be paid to the State for the Local Government's funding share of the right of way to be acquired for this project. The total credit cannot exceed the Local Government's matching share of the right of way obligation under this agreement, and credits cannot be reimbursed in cash to the Local Government, applied to project phases other than right of way, nor used for other projects.
- D. In the event the Local Government's monetary contributions to the State for acquisition of right of way, when added to its real property credits, exceed the Local Government's matching share of the right of way obligation, there will be no refund to the Local Government of any portion of its contributed money.

5. Amendments

Amendments to this agreement due to changes in the character of the work, terms of the agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written supplemental agreement.

6. Notices

All notices to either party by the other required under this agreement shall be delivered personally or sent by certified or U.S. mail, postage prepaid, to the following addresses:

Local Government:	State:
Mayor, City of Ovilla	Director of Right of Way Division
105 S. Cockrell Hill Road	Texas Department of Transportation
Ovilla, TX 75154	125 E. 11 th Street
	Austin, Texas 78701

All notices shall be deemed given on the date delivered or deposited in the mail, unless otherwise provided by this agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail and that request shall be honored and carried out by the other party.

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7. Remedies

This agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this agreement and shall be cumulative.

8. Legal Construction

If one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provisions and this agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

9. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

10. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

11. Sole Agreement

This agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the subject matter of this agreement.

12. Ownership of Documents

Upon completion or termination of this agreement, all documents prepared by the State shall remain the property of the State. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State in the form of photocopy reproduction on a monthly basis as required by the State. The originals shall remain the property of the Local Government. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

13. Inspection of Books and Records

The Local Government shall maintain all books, papers, accounting records and other documentation relating to costs incurred under this agreement and shall make such materials available to the State and, if federally funded, the Federal Highway

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Administration (FHWA) or their duly authorized representatives for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this agreement or until any impending litigation, or claims are resolved. Additionally, the State and FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

14. State Auditor

The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

15. Procurement and Property Management Standards

The parties shall adhere to the procurement standards established in Title 49 CFR §18.36 and with the property management standard established in Title 49 CFR §18.32.

16. Civil Rights Compliance

The parties to this agreement shall comply with the regulations of the U.S. Department of Transportation as they relate to nondiscrimination (49 CFR Part 21 and 23 CFR Part 200), and Executive Order 11246 titled "Equal Employment Opportunity," as amended by Executive Order 11375 and supplemented in the Department of Labor Regulations (41 CFR Part 60).

17. Applicability of Federal Provisions

Articles 18 through 23 only apply if Federal funding is used in the acquisition of right of way or the adjustment of utilities.

18. Office of Management and Budget (OMB) Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the Cost Principles established in OMB Circular A-87 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

19. Disadvantaged Business Enterprise (DBE) Program Requirements

- A. The parties shall comply with the DBE Program requirements established in 49 CFR Part 26.
- B. The Local Government shall adopt, in its totality, the State's federally approved DBE program.

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- C. The Local Government shall set an appropriate DBE goal consistent with the State's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.
- D. The Local Government shall follow all other parts of the State's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally -Approved Disadvantaged Business Enterprise by Entity and attachments found at web address http://txdot.gov/business/business_outreach/mou.htm.
- E. The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and the Program Fraud Civil Remedies Act of 1986 (31 USC 3801 et seq.).
- F. Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.*

20. Debarment Certification

The parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this agreement, the Local Government certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549 and further certifies that it will not do business with any party that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this

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contract to certify its eligibility to receive federal funds and, when requested by the State, to furnish a copy of the certification.

21. Lobbying Certification

In executing this agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The parties shall require that the language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 USC §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

22. Federal Funding Accountability and Transparency Act Requirements

- A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms: <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.
- B. The Local Government agrees that it shall:
 - 1. Obtain and provide to the State a System for Award Management (SAM) number (Federal Acquisition Regulation, Part 4, Sub-part 4.11) if this award provides more than \$25,000 in Federal funding. The SAM number may be obtained by visiting the SAM website whose address is: <https://www.sam.gov/portal/public/SAM/>
 - 2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows Federal government to track the

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distribution of federal money. The DUNS may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>; and

3. Report the total compensation and names of its top five (5) executives to the State if:

- i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
- ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

23. Single Audit Report

- A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in OMB Circular A-133.
- B. If threshold expenditures of \$500,000 or more are met during the Local Government's fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Audit Office, 125 E. 11th Street, Austin, TX 78701 or contact TxDOT's Audit Office at <http://txdot.gov/inside-tdot/office/audit/contact.html>
- C. If expenditures are less than \$500,000 during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Audit Office as follows: "We did not meet the \$500,000 expenditure threshold and therefore, are not required to have a single audit performed for FY _____."
- D. For each year the project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

24. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

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THIS AGREEMENT IS EXECUTED by the State and the Local Government in duplicate.

THE LOCAL GOVERNMENT

Signature

Typed or Printed Name

Title

Date

THE STATE OF TEXAS

John P. Campbell, P.E.
Director, Right of Way Division
Texas Department of Transportation

Date

County Ellis
District Dallas
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**ATTACHMENT A
RESOLUTION OR ORDINANCE**

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**ATTACHMENT B
LOCATION MAP SHOWING PROJECT**

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ATTACHMENT C
PROJECT BUDGET ESTIMATE AND PAYMENT SCHEDULE

**Special Approval Form – Deputy Executive Director Approval
Funding Structure
On or Off System Project
(per 43 TAC §15.52)**

From: Dallas District/ROW Division **Date:** February 2, 2015
(District/Division)

CSJ: 1051-01-037, RCSJ 1051-01-043, Ellis County

Local Government: City of Ovilla

Brief Project

Description: FM 664 Westmoreland Rd to IH 35E. Widen from 2 lanes to 6 lanes urban divided including intersection improvements.

Request for approval of a nonstandard local government funding structure:

Funding Structure: Specified
Percentage _____ Periodic Payments 3 years

APPROVED: _____
Deputy Executive Director

DATE: _____

Original: Contract Services
Copy: District or Division AFA file

Specified Percentage Agreement

If this is a Specified Percentage Agreement – Answer the Following Questions
(1) Does the work include work which is ineligible for federal or state participation? Answer:
(2) Is there a need for expeditious project completion? Answer:
(3) What is the type of work proposed and can its cost be accurately established? Answer:
(4) Are there any other considerations relating to the benefit of the state, the traveling public, and the operations of the department? Answer:

Periodic Payment Request

If this is a Periodic Payment Request – Answer the Following Questions
(1) Is the local government unable to pay its total funding share prior to the department's scheduled date for contract letting, based upon population level, bonded indebtedness, tax base, and tax rate? Answer: Yes
(2) What has been the past payment performance of the Local Government? (The Local Government may not have a delinquent obligation to the department. Contact Finance Division, Accounting Management Section at 512-486-5376.) Answer: The City of Ovilla is in good standing per Vicki 512-486-5618
(3) Is there a need for expeditious project completion? Answer: Yes
(4) Is the project located in a local government that consists of all or a portion of an economically disadvantaged county? Answer: Yes
(5) Are there any other considerations relating to the benefit of the state, the public, and the operations of the department? Answer: The City has requested a 3-year installment payment plan as they are an EDC and their budget is unable to pay their full contribution amount of \$88,236.10.

Teresa Harris

From: Susan Rossi
Sent: Tuesday, February 03, 2015 3:05 PM
To: Teresa Harris
Subject: CSJ# 1051-01-037, RCSJ# 1051-01-043, City of Ovilla, Agreement to Contribute ROW Funds
Attachments: Approve: SPA Approval, ROW CSJ# 1051-01-037, City of Ovilla, Log# 14073; FW: FM 664 RCSJ 1051-01-043 Agreement Review

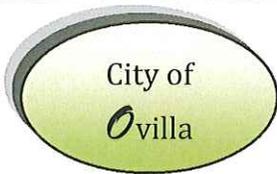
Hi Teresa,

Attached is the approval from ADM for the SPA for incremental payments.

Please let me know if there is anything else we can help you with.

Thank you!

Susan Rossi, CTCM
Contract Specialist
CSO - TxDOT
512-416-4644
Susan.Rossi@txdot.gov



Ovilla City Council

AGENDA ITEM REPORT Item 6

Meeting Date: March 09, 2015

Department: Administration/Finance

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: N/A

Reviewed By: Interim City Administrator City Secretary City Attorney

Accountant Other: Staff

Attachments:

1. Resolution 2015-007
2. Notice, Bank list
3. Bank Depository Service submitted proposal
4. Service/Cost Analysis

Agenda Item / Topic:

ITEM 6. *DISCUSSION/ACTION – Consideration* of and action on Resolution R2015-007 authorizing the Mayor to execute a Bank Depository Services Agreement by and between the City of Ovilla and Prosperity Bank for depository services effective June 01, 2015.

Discussion / Justification:

The City's current depository service agreement with Prosperity Bank began June 2010 for a period not to exceed 5-years. Following an initial contract term (3-years), the agreement provided for two optional, one-year renewals, awarded one-year at a time. The final one-year renewal will expire in May 2015.

The City gave notice to local banks, posted on the City's website and published the RFP, requesting submission of applications for the performance of depository services as authorized by Chapter 105 of the TX Local Government Code. Prudent procurement practices require the evaluation of banking services on a periodic basis, because of continual changes in technology, treasury management practices, and banking services and costs. The Request for Proposals for Banking Depository Services resulted in one received proposal from our current bank depository. Due to receiving only one proposal, the City Council Finance Committee did not meet and directed the Interim City Administrator to review the proposal to insure the sufficiency of the bank services.

Staff is pleased with the current service received from Prosperity Bank. Terms and conditions remain the same. The new agreement will be effective June 01, 2015.

Recommendation / Staff Comments:

Sample Motion(s):

I move that Council approve/deny Resolution R2015-007 authorizing the Mayor to execute a Bank Depository Services Agreement by and between the City of Ovilla and Prosperity Bank for depository services effective June 01, 2015.

RESOLUTION NO. R2015-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVILLA, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE, FOR AND ON BEHALF OF THE CITY OF OVILLA, TEXAS, AN AGREEMENT BY AND BETWEEN THE CITY OF OVILLA, TEXAS AND PROSPERITY BANK FOR OFFICIAL BANK DEPOSITORY SERVICES, EFFECTIVE June 01, 2015.

*** * * * ***

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVILLA:

Section 1. The City Council of the City of Ovilla hereby authorizes the Mayor to execute an Agreement for by and between the City of Ovilla, Texas, and Prosperity Bank for office bank depository services for the City of Ovilla.

Section 2. The Agreement shall commence on June 01, 2015 and shall remain in effect for three years, with two optional one-year renewals at the same terms and conditions.

Section 3. A copy of said Prosperity Bank Agreement by and between the City of Ovilla, Texas and Prosperity Bank is attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED, APPROVED, AND RESOLVED this 09 day of March 2015.

ATTEST: _____
Pamela Woodall, **CITY SECRETARY**

APPROVED: _____
Richard Dormier, **MAYOR**

City of Ovilla
Request for Proposal
Bank Depository Services
January 14, 2015

The City of Ovilla, Texas (the "CITY") is requesting proposals from qualified Financial Institutions for Bank Depository Services. The initial contract period will begin June 01, 2015 and end May 31, 2018 with two one-year extensions.

This Request for Proposal ("RFP") defines the minimum specifications, scope of services and outlines the requirements that must be met by Financial Institutions interested in providing such products and services. Financial Institutions shall carefully examine the entire RFP and any addenda thereto, and all related materials referenced in RFP. Financial Institutions are advised to read all sections of this RFP before submitting a proposal.

Proposals will be accepted at Ovilla City Hall, 105 S. Cockrell Hill Road, Ovilla, Texas 75154; until Friday, January 30, 2015, at 4:00 p.m., prevailing local time. Deadline for questions is Tuesday, January 20, 2015 at 5:00 p.m. via email to lharding@cityofovilla.org. Responses to questions will be posted/emailed by Friday, January 23, 2015.

All sealed proposals must be **addressed to City Secretary, City of Ovilla, and bear the title "The City of Ovilla, Texas - Bank Depository Services" along with the vendor's name and address.** Submit five (5) complete copies and one electronic copy of proposal. Facsimile proposals will not be accepted. Late proposals will not be considered. It is the responsibility of the proposer to ensure that the proposal arrives at the correct location by the correct time.

Contact Linda Harding, 972-617-7262 if you have any questions regarding the proposal process. Any firms found to be soliciting other representatives of the City during this Request for Proposal process may be disqualified.

All proposals and information submitted in response to this RFP shall become public record upon proposal opening and will be available for review upon request. The City reserves the right to reject any and all responses and to waive any irregularities and informalities in the proposal process. We look forward to receiving your response.

Pamela Woodall, City Secretary
City of Ovilla
105 S. Cockrell Hill Road
Ovilla, Texas 75154
972-617-7262

Contract with Prosperity expires 5/30/15
Notice for RFP posted online January 14, 2015
Bank Depository RFP 2015 sent to the following banks:

Att: Jo Ann Brewer
Joann.brewer@properitybankusa.com

Prosperity Bank - RESPONDED

500 North I-35 Service Road
Red Oak, TX. 75154
972-617-7377

Attn: Marlana Mossman
mmossman@mybanktx.com

Community National Bank & Trust
309 East Ovilla Rd.
Red Oak, TX 75154
9752.617.8700

DID NOT RESPOND

Att: Sharon Reed
Sharon.reed@wellsfargo.com

Wells Fargo Bank
557 E. Ovilla Rd.
Red Oak, TX. 75154
972-576-0402

DECLINED

Attn: Carlisa Dubose
carlisa.m.dubose@chase.com

Chase Bank
1522 W. Pleasant Run Rd
Lancaster, TX 75146

DID NOT RESPOND

Attn: Operations
Fax:972.938.4399 (only by fax)
Citizens National Bank of Texas
P.O. Box 717
Waxahachie, TX. 75168
972.617.5440

DECLINED

Prosperity Bank – responded

All others declined or did not respond

Attn: Kim Owens
Kim.owens@vintagebank.net

Vintage Bank
102 N. Hwy 342
Red Oak, TX 75154
972.223.0755

DID NOT RESPOND



PROSPERITY BANK®

January 27, 2015

COPY

Ms. Pamela Woodall, City Secretary
City of Ovilla
105 S. Cockrell Hill Rd.
Ovilla, Texas 75154

Re: Depository Bid for June 1, 2015 – May 31, 2018

Dear Ms. Woodall:

The City of Ovilla Depository Bid has been completed and enclosed for your review.

We have enjoyed a long term relationship with the City of Ovilla and look forward to continuing that relationship should we be awarded the Bid. I hope that you'll take a moment to review the financial reports to feel confident that your current bank and hopefully your continued depository bank is very strong, well capitalized, liquid, and has been ranked yet again by Forbes Magazine as #1 strongest bank in the nation. That says a lot about our conservative banking approach and strong asset quality, especially in such a volatile economic climate.

We've also grown in the number of locations throughout Texas and have extended into the Tulsa and Oklahoma City areas of Oklahoma. This spells "convenience banking" to you and your staff. Our 245 full-service banking centers include market areas ranging from Houston Metropolitan Area, South Texas, Central Texas, Dallas/Fort Worth Metropolitan Area, East Texas, West Texas, Bryan College Station Area, with Total Deposits of \$21.117 billion.

Our mission is still to provide the best possible customer service, convenience and quality innovative bank products for our customers and we feel our bid reflects that. The Bank's bid rates have been disclosed in Attachment #2 along with employee benefits in Attachment #11. In addition, we continue to waive analysis fees on all City accounts along with other service fees as disclosed in the Bid.

We hope to continue our long standing relationship with the City. If you should have any questions or need any additional information, please do not hesitate to call me at (972) 617-1509.

Sincerely,

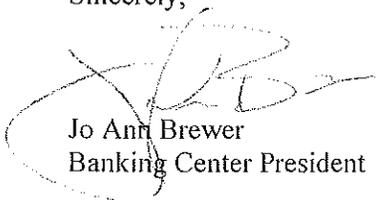

Jo Ann Brewer
Banking Center President





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INTRODUCTION

The City of Ovilla (the "City") pursuant to Chapter 105, Texas Local Government Code is requesting proposals from eligible and qualified financial institutions to provide the City banking services as described below. The services provided will be in accordance with this Request for Proposal (the "RFP") and attachments. It is the City's intent that a Bank Depository Services Agreement detailing the services to be provided will be duly executed between the City of Ovilla and the selected financial institution.

Any and all charges and fees associated with the Bank Depository Services Agreement must be clearly and accurately included in the RFP response. The charges and fees represented in the RFP response shall overrule any and all previous bank service or other agreements between the City and the financial institution, as they relate to the accounts and services included herein. The City will not be obligated by any charges and fees not clearly and accurately presented in the RFP response. Services initiated after consummation of the Bank Depository Services Agreement shall carry charges and fees mutually agreed to, in writing, by the City and the financial institution. Regardless of time delay, the financial institution shall refund or credit the City for any erroneous charges and fees not agreed to in writing.

The philosophy incorporated into this RFP is to solicit bids for banking services currently utilized or considered by the City. The City intends to manage its funds to minimize service charges and optimize investment income as authorized by policy and permitted by state law. The City anticipates that future collected funds balances will be reduced and/or invested in available investment alternatives.

The new agreement period will be for a period of June 1, 2015 through May 31, 2018, with a provision for two one-year continuations under the same terms and conditions of the contract, subject to the mutual agreement of both parties. The agreement will also provide for an extension period not to exceed ninety (90) days for the transition to a new bank at the end of the term, if necessary.

The City reserves the right to open or close any number or type of accounts, as it deems necessary throughout the term of the agreement. Any fee charged for services not listed but later requested by the City will be mutually agreed upon in writing. All fees shall be fixed for the entire contract period.

The Bank Depository Services Agreement is an important component of the treasury and cash management system of the City. From this perspective, the City is seeking a financial institution that is:

- ◆ The best value to the City,
- ◆ Capable of providing the services required by the City,
- ◆ Meets the requirements of Chapter 105 of the Texas Local Government Code,
- ◆ Willing to be attentive and responsive to the City's financial matters, and
- ◆ Financially sound and meets the City's requirements.



REQUEST for PROPOSAL

This RFP is intended to serve as the bid form for the Bank Depository Services Agreement. There are multiple blanks to fill in and questions to be answered. The evaluation of the bidder's proposal will be based on the responses include herein.

Exceptions, conditions, or qualifications to the provisions of the City's specifications or requirements must be clearly identified as such, with the reasons therefore, and alternate language proposed by bidder, if any, clearly stated and inserted in the appropriate place in the bid submission.

Each of these exceptions, conditions, or qualifications to the City's specifications may be included, as appropriate, in the Contract documents. Items and matters not explicitly excepted in this manner shall be deemed to be in conformance with the City's specifications.

The RFP also requests certain information to be attached and specifically labeled. Responses must be complete, address all aspects of the RFP, and include all requested information to receive full consideration by the City in the selection process. The City may choose to waive any irregularities in any responses received and reserves the right to reject all proposals.

The City desires to enter into a contract of mutual party benefit and will answer all questions pertaining to this RFP. Please note the following calendar of events for the dates and times of key elements in the bid procedure.

CALENDAR OF EVENTS

TARGET DATE	DESCRIPTION OF EVENTS
Wed. January 14, 2105	RFP distributed to prospective financial institutions
Tues. January 20, 2015, 5:00 p.m.	Deadline for questions to LHarding@cityofovilla.org
Friday, January 23, 2015, 5:00 p.m.	Responses to questions posted/emailed
Friday, January 30, 2015	Responses due 4:00 P.M. at City Hall, 105 S. Cockrell Hill
TBD	City Council Finance Committee consider proposals
Monday, March 09, 2015	City Council consideration of contract award
Monday, June 01, 2015	New Bank Depository Services Agreement period begins



CRITERIA FOR EVALUATION

The City shall carefully review the submitted proposals. The Finance Committee's recommendation to Council shall be based on the proposal determined to be "the best value" for the City. The evaluation of the proposals will be made based on, but not limited to, the following criteria, in no particular order of priority:

- ◆ Ability to perform and provide the required and requested services;
- ◆ Reputation of bidder and quality of services;
- ◆ Cost of services;
- ◆ Funds availability;
- ◆ Interest paid on interest bearing accounts and deposits;
- ◆ Earnings credit calculation on account balances;
- ◆ Completeness of bid and agreement to points outlined in the RFP;
- ◆ Previous service relationship with the City; and
- ◆ Financial strength and stability of institution.



ACCOUNT ACTIVITIES

Governmental Funds: As of the end of the November 30, 2014, the City's governmental funds reported combined ending fund balances of \$3,460,732. Approximately 87% of this total amount \$1,842,389 constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to pay for debt service. The debt service fund has a total fund balance of \$51,711. The net decrease in fund balance during the current year in the debt service fund was \$59,017. The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,008,422. Unreserved fund balance represents 29.14% of total general fund expenditures. The fund balance of the City's general fund increased \$346,699 during the current fiscal year. Unrestricted net assets of the **Water and Sewer Fund** at the end of the year amounted to \$833,966. Net assets decreased in 2014 by \$12,747. Other factors concerning the finances of this fund have already been addressed in the analysis of the City's operations.

The City has a 57-person payroll paid bi-weekly with checks and direct deposits drawn on the Payroll Account in the approximate amount of \$41,000 per payroll. The City offers its employee's direct deposit of payroll with 56 employees utilizing direct deposit. The General Fund averages 109 checks issued each month and an average of 41 deposits. The W&S Fund averages 33 checks per month with an average expenditure of \$140,331 per month, with an average of 41 deposits per month. The General Fund, W&S Fund, Police Department Fund, and Fire Department Auxiliary Funds issue checks.

City of Ovilla banking information as of 12-11-2014 is Attachment 1. The City of Ovilla currently has twenty two accounts with an estimated value of \$3,460,732. City of Ovilla Investment Policy - Attachment 2.

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to be used for specified purposes:

- Fire Dept. Auxiliary – This fund is used to account for donations to the Fire Dept., which in turn is spent on education, awards and community services.
- Park Impact Fund – This fund is used to account for funds received from an impact fee accessed thru new building permits and are used to purchase new park equipment and make improvements to parks.
- Police Department Special Fund – This fund is used to account for donations to the Police department, which in turn is spent, on education, protective equipment, awards and community services.
- 4B EDC Fund – This fund is used to account for the Ovilla Economic Development Corporation created to promote economic development in Ovilla.
- Employee Benefits Fund – This fund is used to account for the city funds and employee paid funds associated with the employee benefit of health policies.
- Municipal Development District – This fund is used to account for the MDD created to develop and finance permissible projects such as convention center, civic center, and facilities.



BANK DEPOSITORY SERVICES

The City requests information on the following services:

- A. Balance Reporting – The City requires online balance reporting for daily access to its account balance information. The minimum information to be contained in the electronic reporting should be for the previous business day and include: ledger balance, collected balance, one day float amount, two day float amount, total credits, total debits, and detail debits and credits. Availability to access same-day information, historical statements, is requested and access to the information through the internet is required. Historical information should be maintained online and accessible for two months. Deposits by remote capture is requested.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. **No Charge – See Internet Banking Demo at Prosperity Bank website for your convenience**

- B. Controlled Disbursement – The City could potentially in the future consider the use of a controlled disbursement account. The controlled disbursement presentment notification should also be accessible through Balance Reporting. This information should be available and accessible by 10:00 A.M. local time.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. _____

- C. Positive Pay and Account Reconciliation - The City has a requirement for positive pay and full account reconciliation services on the all of the City's Accounts. The Bank would only honor those checks issued by the City that are pre-authorized through the positive pay system. Positive Pay files will be transmitted electronically.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. **Yes to Positive Pay. However, Prosperity does not provide complete reconciliation due to manual process it entails. We do provide full transaction history filed that may be down loaded to the City from Internet Banking in various formats compatible with most account reconciliation systems. Those formats include comma-separate, fixed length, or tab separate. Partial reconciliation is provided at no charge.**

- D. ACH Debit Blocking – The City has a requirement for ACH debit blocking capabilities on its accounts, with the ability to selectively permit specified ACH debits on certain accounts and restrict all ACH debits from certain accounts.



- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. Individual ACH transactions may be input and initiated online through Internet banking.

E. Account Analysis – The City desires account analysis statements delivered to the City on a monthly basis by individual account and at group level, which will reflect average ledger balance, average uncollected funds, average collected balance, reserve requirement, average available balance, rate and amount of earnings credit, detail of services provided with quantities and unit fees for each, and total service cost.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. N/A – City accounts are not on account analysis. If the City was charged an analysis fee and upon request, Prosperity has the capability to produce a combined account analysis statement that would include the details outlined in Section E.

F. Bank Statements - Statements shall be rendered within seven (7) working days after the close of the calendar month. Statements or accounts shall not be placed in dormant mode for inactivity. The statement shall include debits and credits made on the last day of the period and the detail items. Bank statements should be received on a monthly basis, even if there is no activity for the account.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. Also available are statements by CD-ROM and daily electronic downloads available on the Internet

G. Credit Card Payments – The City allows its patrons to pay for certain charges utilizing credit cards. The City currently recognizes the Visa and MasterCard logo and accepts credit card payments for Utility Services via the internet. The City maintains a separate credit card-processing contract.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. Many credit/debit card merchant service options are available, including software solutions. Costs and maintenance fees vary based on the solution the City chooses to implement. If the City requires credit



and/or debit card merchant services, please provide us with details so that we may assist in obtaining the best price for you.

H. Collateralization – The balances maintained in all accounts must be collateralized in the same manner and under the same stipulations as outlined in the Collateral Requirements section. The City anticipates utilizing interest bearing accounts or an overnight sweep investment option. In the event interest-bearing accounts are utilized, the maximum ledger balances could exceed \$2,000,000 in the aggregate during the months of December and January of each year. Historically the average balances are less than \$300,000. Each account shall be insured and collateralized. Please clearly explain any collateral limitations or fees. The City reserves the right to maximize or minimize bank balances regardless of historical patterns. It is expected that the successful bank will monitor the collateral adequacy on a daily basis and, with prior notice by the City, provide additional collateral to secure balances in excess of anticipated levels.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. Prosperity Bank maintains internal controls to monitor and maintain the required collateral. If the City is aware of a large transaction that will significantly increase deposit balances, the City will notify the Bank with one day's advance notice to ensure the timely pledging of additional collateral.

I. Sweep Account – If interest-bearing accounts are not utilized, the City requires the use of a sweep account for overnight investment of funds in excess of a target balance in the Pooled Cash Accounts. This sweep investment account shall comply with the Public Funds Investment Act and Investment Policy.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. Sweep arrangements between City deposit accounts at Prosperity Bank are an option Prosperity Bank provides. Sweeps are only offered between internal accounts. Prosperity does not offer sweeps out of the bank or internal repos. Transaction limitations per banking regulations apply to Money Market and Savings accounts. Prosperity Bank does not provide investment advice. Prosperity Bank does not provide sweep services to overnight or other investments outside of the Bank (such as SEC registered money market mutual fund investments).

J. Payment for Services – The City may elect to pay for all services provided by the earnings credit amount generated by account balances, or by direct payment, or a combination of both.



- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. **N/A – Account analysis and fees waived as disclosed in bid package.**

K. Account Settlement – Settlement of the excess/deficient condition as reflected by the group level account analysis is to occur on a quarterly basis.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. **N/A – Account analysis and fees waived as disclosed in bid package.**

L. Research – The City requests that all research requests are responded to within three business days of the request.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. _____

M. Bank Errors – Bank errors resulting in lost interest to the City will be reimbursed by the Bank to the City. The method of reimbursement will be agreed upon by the Bank and the City.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. _____

N. NSF Items – The City desires for NSF/Charge-backs to be processed or run through twice before charging back to the City's Master Account.

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.

Comment. **Upon request.**



COLLATERAL REQUIREMENTS

- A. As security for the deposits of the City, the successful bank shall pledge securities equal to 102% of their market value, of the largest total balances the City maintains in the bank, less the amount provided by the Federal Deposit Insurance Corporation. The securities so pledged shall satisfy the requirements of the Public Funds Collateral Act, Chapter 2257, Texas Government Code, and the Investment Policy (Attached).
- B. The securities pledged shall be held in safekeeping at an independent financial institution acceptable to both the City and the successful bank. The original copy of all security receipts shall be filed with the City Secretary.
- C. The successful bank and the custodial bank shall provide the City a report of securities pledged at the end of each month or at any time requested by the City. The report should reflect the total pledged securities itemized by:
 - Name
 - Type / Description
 - CUSIP
 - Par Value
 - Market Value
 - Maturity Date
 - Rating by Moody's or Standard & Poor's

Comment: Prosperity Bank will provide a monthly Pledge Report sent to the City.

- D. Any substitutions of the securities or reductions in the total amount pledged shall be made only by and with the proper written authorization of an authorized City signatory. The City shall approve all securities pledged. In the case of reduction requests, the bank shall provide in writing that collateral shall be available when needed to meet normal balance increases throughout the year.

Comment: Please provide at least 1 day's notice when requesting excess collateralization.

- E. The Board of Directors or designated committee of the successful bank will be required to provide a resolution of certification approving the commitment and delivery of the collateral to the safekeeping institution not later than five days before the commencement of the contract period.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. _____



INVESTMENT ACTIVITIES

- A. Direct Investment Alternative – The City’s direct investment activities may take place in City accounts. The City requires that it have the ability to move funds between accounts via a secure Internet site. The City shall have the right, at its sole discretion, to direct investment of its funds. The successful bank will be required to provide clearing and safekeeping services for City investment activity. The attached Investment Policy outlines the City’s options for investing any and all funds. The policy is subject to annual review.

Yes, can provide as requested/required.

No, cannot provide as requested/required.

Comment. Prosperity does not provide investment advice, administration, bookkeeping, safekeeping services, or the purchase or liquidation of investments.

OVERDRAFT PROVISIONS

The City does not intend to have a net overdraft position occur during the course of the contract period. A net overdraft shall be defined as a negative balance in the City’s accounts collectively, not by individual account.

In the event a check or checks shall be presented for payment where there is insufficient funds for the purpose of paying checks, the successful bank agrees to promptly notify the City Secretary/Office Manager or other signatory person, by telephone or other means, of the overdraft condition, and to provide the City a period not exceeding one business day to respond and rectify the condition.

Yes, can provide as requested/required. **See page 18, See Temporary Overdrafts paid on collective balances.**

No, cannot provide as requested/required.

Comment. Overdrafts may be subject to the following:

- a. **Overdraft Item Fee – The Overdraft Item Fee will be waived if offsetting collected balances are on deposit in non-interest-bearing deposit accounts.**
- b. **Accrued Interest Adjustment – If offsetting collected balances are maintained in interest-bearing deposit accounts only, the Overdraft item Fee will be waived and an interest accrual debit adjustment will be made to the interest-bearing deposit account calculated on the amount and duration of the overdraft.**
- c. **Frequent and Continuous Overdrafts – if overdrafts continue to occur on a frequent basis, Prosperity Bank reserves the right to assess overdraft item fees, regardless of compensating balances. Additionally, if an account**



remains overdrawn for more than one business day, Prosperity Bank reserves the right to assess an Overdraft Interest Charge of which the rate will be equal to the prime rate published in the Wall Street Journal, as it changes.

Outgoing wires went by the City during the business day will be processed against collected balances only.

OTHER STIPULATIONS

- A. The successful bidder shall notify the City in writing within ten (10) days of any changes in Federal or State regulations or laws that would affect the Bank Depository Services Agreement.
- B. Notification of wire transfers shall be made by a written confirmation mailed to the City the same day of the transaction.
- C. In the event it would be ruled illegal under the provisions of any Federal or State laws or regulations for the successful bank to comply with the requirements of the Bank Depository Services Agreement, then the City expressly reserves the right and privilege to cancel the Bank Depository Services Agreement and to re-bid.
- D. The successful bank's records relating to the City's accounts shall be open for review during normal business hours by designated staff members or appointed independent auditors.
- E. The City reserves the right to open and maintain one or more demand accounts at financial institutions not affiliated with the successful bank.
- F. The City expressly reserves the right to terminate the depository agreement with or without cause at any time by providing written notice to the depository to close its accounts.

Yes, can provide as requested/required, **except for**

No, cannot provide as requested/required **in regard to Item E**

Comment. Prosperity would not agree to share the City's demand deposit accounts with other financial institutions that are not considered investment money. Should this occur, the depository bid would terminate.



BIDDING REQUIREMENTS

- A. Sealed Proposals will be accepted at Ovilla City Hall until Friday, January 16, 2015, at 4:00 p.m., prevailing local time.
- B. All sealed proposals must be addressed to City Secretary, City of Ovilla, and bear the title **"The City of Ovilla, Texas - Bank Depository Services."** along with the vendor's name and address.
- Ms. Pamela Woodall, City Secretary
City of Ovilla
105 S. Cockrell Hill Rd.
Ovilla, TX 75154
972-617-7262
- C. NO PROPOSAL SHALL BE RECEIVED AFTER 4:00 P.M. ON THE DATE DUE.
- D. The proposing institution shall use this RFP as the Official Bid Form. Submitted prices, rates, conditions, and answers shall be included in final contract form. The signed, submitted response should include printed copies of all completed worksheets and will be deemed the respondent's official proposal.
- E. The City reserves the right to request additional information or to meet with representatives from proposing organizations to discuss points in the proposal before and after submission, any and all of which may be used in forming a recommendation.
- F. The City reserves the right to reject any and all proposals, and to accept the proposal it considers in its best interest based upon the requirements and descriptions outlined in this RFP.
- G. Bidder must qualify under current Texas law as a state or national bank to serve as a municipal depository bank.
- H. Transfer of funds will commence at such time the successful bank has provided the City with all required forms and supplies necessary to insure uninterrupted day-to-day operations. The successful bank commits its "best efforts" to complete the execution of documentation and transfer of funds by contract period start date. Failure to complete by the start date, at the discretion of the City, could be considered grounds for bid bond forfeiture and alternative bank selection.
- I. The successful bank shall, upon termination of contract, cooperate with the new bank for transfer of funds.
- J. There will be no formal bid opening at the expiration of the response deadline. Upon written request, a copy of the accepted proposal will be available after the City Council selects the successful bank.
- K. Any questions concerning this RFP should be directed to:



City Accountant, Linda Harding
City of Ovilla
105 S. Cockrell Hill Rd.
Ovilla, TX 75154
972-617-7262
lharding@cityofovilla.org

- Yes, can provide as requested/required.
- No, cannot provide as requested/required.
- Comment. _____

MISCELLANEOUS

- A. The City shall reserve the right to a review meeting when needed to evaluate the working relationship between the City and the successful bank. The objective shall be to address any problems and to seek solutions as well as keeping abreast of changes, new services, or new requirements.
- B. The final appointment of the successful bank shall be made by contract award of the Ovilla City Council. The successful bank shall be required to enter into a contract that incorporates all of the requirements of their submitted RFP as the OFFICIAL BID FORM, along with the accompanying related schedules and materials as called for in this RFP. Additional contract attachments include: collateral custodial agreement, FIRREA bank certification, and PFIA investment provider certification.
- C. This RFP has been duly advertised and is being offered for consideration to financial institutions.

This Request for Proposal is being offered by the following person duly authorized to act on behalf of the City, Pamela Woodall, City Secretary.



BANK ACCOUNT INFORMATION
(same information provided on page 6, Account Activities)

Governmental Funds: As of the end of the November 30, 2014, the City's governmental funds reported combined ending fund balances of \$3,460,732. Approximately 87% of this total amount \$1,842,389 constitutes unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to pay for debt service. The debt service fund has a total fund balance of \$51,711. The net decrease in fund balance during the current year in the debt service fund was \$59,017. The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,008,422. Unreserved fund balance represents 29.14% of total general fund expenditures. The fund balance of the City's general fund increased \$346,699 during the current fiscal year. Unrestricted net assets of the **Water and Sewer Fund** at the end of the year amounted to \$833,966. Net assets decreased in 2014 by \$12,747. Other factors concerning the finances of this fund have already been addressed in the analysis of the City's operations.

The City has a 57-person payroll paid bi-weekly with checks and direct deposits drawn on the Payroll Account in the approximate amount of \$41,000 per payroll. The City offers its employee's direct deposit of payroll with 56 employees utilizing direct deposit. The General Fund averages 109 checks issued each month and an average of 41 deposits. The W&S Fund averages 33 checks per month with an average expenditure of \$140,331.per month, with an average of 41 deposits per month. The General Fund, W&S Fund, Police Department Fund, and Fire Department Auxiliary Funds issue checks.

City of Ovilla banking information as of 12-11-2014 is Attachment 1. The City of Ovilla currently has twenty two accounts with an estimated value of \$3,460,732. City of Ovilla Investment Policy - Attachment 2.



BANKING SERVICES FEE SCHEDULE

Bank Name: **PROSPERITY BANK**

*No Charge (N/C)

	Charge per Item	Monthly Service Charge
Account Maintenance	_____	___N/C___
Number of Deposits	_____	___N/C___
Outgoing Wire Transfers	_____	___N/C___
Incoming Wire Transfers	_____	___N/C___
Stop Payments	_____	___N/C___
Returned Items (NSF)	_____	___\$5.00**___
Fine Sort Checks	_____	___N/C___
Research Items	_____	___N/C___
Locking Bank Bags	9 @ \$25 ea.	___N/C___
Endorsement Stamps	9 @ \$18.50 ea.	___N/C___
Direct Deposits (ACH Processing)	_____	___N/C___
Daily Balance Reporting	_____	___N/C___
Zero Balanced Accounts	_____	___N/C___
Reconciliation	_____	___N/C___
Commercial Deposits	_____	___N/C___
Check Processing	_____	___N/C___
Check Printing (per 500)	_____	Vendors Cost
Printed Deposit Slips (per 200)	_____	___N/C___
Computer Access to Accounts	_____	___N/C___
On-line Banking	_____	___N/C___
Microfilming or imaging of checks	_____	___N/C___
Night Deposit Services	_____	___N/C___
Other – Specify: Night Drop Plastic Bags	_____	Vendors Cost
Charges for handling	_____	___N/C___
Temporary Overdrafts	_____	___N/C___



Remotely Deposit Checks	_____	Vendors Cost
Machine to process Checks Remotely	_____	Vendors Cost
Check Cashing for Employees	_____	___N/C___
Total Annual Service Charge	_____	N/C Except for Vendors Cost as Outlined

****Prosperity reserves the right to charge NSF fees in the future**

1) Certificates of Deposit \$100,000 (or more):

Term	Rate	Minimum \$	Maximum \$
7 to 29 days			
30 to 59 days	.10		
60 to 89 days			
90 to 119 days	.15		
120 to 149 days			
150 to 179 days			
180 to 269 days	.25		
270 to 364 days			
1 to 2 years	1 yr - .35 18mo. - .40		
2 to 3 years	2 yr - .50 3 yr - .55		

***Using Prosperity Rates – Interest rates on Time Deposits will be at a Prosperity Bank CD rate in effect at the time of purchase for like balance and term of the time Deposit.**

Prosperity Bank does not offer a 7 to 29 day term Certificate of Deposit option. The rate quoted applies to all terms equal to or greater than 30 days. Rates quoted are as of January 22, 2015.

2) Overdrafts:

Overdrafts are not anticipated to occur, however, should a net overdraft condition occur, the following stipulations shall apply:

Maximum number of banking days the overdraft shall be allowed:	_____	-0-
Maximum amount of the overdraft:	_____	\$ *
Interest rate per annum computed on the overdraft:	_____	** %



Overdrafts may be subject to the following:

- a. **Overdraft item Fee** – The Overdraft Item Fee will be waived if offsetting collected balances are on deposit in non-interest-bearing deposit accounts.
- b. **Accrued Interest Adjustment** – If offsetting collected balances are maintained in interest-bearing deposit accounts only, the overdraft item fee will be waived and an interest accrual debit adjustment will be made to the interest-bearing deposit account calculated on the amount and duration of the overdraft.
- c. **Frequent and Continuous Overdrafts** – If overdrafts continue to occur on a frequent basis, Prosperity Bank reserves the right to assess overdraft Item fees, regardless of compensating balances. Additionally, if an account remains overdrawn for more than one business day, Prosperity Bank reserves the right to assess an overdraft Interest Charge of which the rate will be equal to the prime rate published in the Wall Street Journal, as it changes.

3) The City requests one relationship manager to coordinate the financial institution's efforts in providing the requested services. This individual will be the City contact and will be directly responsible for facilitating all City/financial institution interaction:

Description	Name	Title	Phone
Relationship Officer	Jo Ann Brewer	Banking Center President	(972) 617-1509 (direct) (972) 617-7377 (main)

Name of Officer most likely to answer questions pertaining to information presented within the proposal.

Jo Ann Brewer, Banking Center President



RESPONSE DOCUMENTS (Please label and attach in the order requested):

1. Monthly account analysis statement that will be provided to the City, and indicate any capability to provide the information electronically.
2. Explanation of the institutions' policy and methodology used in setting rates paid on interest bearing accounts and account analysis earnings credit. Indicate if they are based on a market rate such as T-Bill discount or yield rate, or the federal funds rate, etc., and when the rates are changed. Also, please provide a historical schedule of rates paid.
3. Collateral agreement clearly stating that the custodian is instructed to release the collateralized securities to the City if the City has determined that the bank has failed to pay on any accounts, or the City has determined that the City's funds are in jeopardy for any reason, including but not limited to involuntary closure or change in ownership. The collateral agreement shall have signatories and be executed by the custodian, the successful bank, and the City.
4. Latest annual financial statements, the most recent quarterly F.D.I.C. call reports, and the Uniform Bank Performance Report for the latest fiscal year end.
5. Information describing the institution's security measures to prevent fraud and unauthorized electronic and non-electronic transfers, and protect the integrity of computer banking services and internal computer systems.
6. Technology specifications for use of all proposed electronic systems and services.
7. Sample safekeeping report of the information the City shall receive monthly from the Custodian.
8. Information on the sweep/overnight investment account recommended for use by the City.
9. Summary of the institution's business continuation plans as they pertain to the City's ability to perform normal banking functions during natural and un-natural bank operation disruptions, including a Statement of Commitment to provide the City continuous and ongoing bank depository services to the best of the financial institution's ability.
10. Lists of Comparable References and Current Texas Public Funds Clients.

Additional Attachments:

11. **Employee Bank Benefits**
12. **Other Bank Services Available**

ATTACHMENT #1
SAMPLE ACCOUNT ANALYSIS STATEMENT

ATTACHMENT #2
•RATES – POLICY/METHODOLOGY
•BANK DEPOSITORY PROPOSAL
06-01-2015 thru 05-31-2018

Interest bearing accounts:

Rates are based on market competition and are changed upon Bank’s discretion. We can set rates a number of ways. Currently, our **Interest Bearing Checking Accounts** pays interest on the net collected balance in your account at our posted **NOW** account **rate plus (+) .30 (current NOW rate is .07% + .30% = .37%)**. This is a variable rate and is subject to change from time to time.

All other services as outlined in “Banking Services Fee Schedule” are included at no charge except for checks, endorsement stamps (excess of 9), locked drop bags (excess of 9), night drop plastic bags, remote deposit checks, and remote processing machine that will be charged to you at **Bank cost**.

Our **Prosperfect Investment Money Market Accounts**, interest would be paid on the net collected balance at the posted rate. This is a variable rate account and subject to change from time to time. The posted rates vary based on the net collected balance and are tiered as follows:

Current posted rates:			Rate	APY
Tier 1	\$0	\$9,999.99	0.05%	0.05%
Tier 2	\$10,000	\$24,999.99	0.05%	0.05%
Tier 3	\$25,000	\$49,999.99	0.10%	0.10%
Tier 4	\$50,000	\$99,999.99	0.15%	0.15%
Tier 5	\$100,000...		0.20%	0.20%

Transaction Limitations: Transfers from this account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six (6) per statement cycle with no more than three (3) by check, draft or similar order to third parties. A debit transaction fee of \$10.00 will be charged for each debit transaction (withdrawal, check paid, automatic transfer, or payment out of this account) in excess of six (6) during a statement cycle.

Single Maturity Time Deposits of more than \$100,000.00:

Using Prosperity Rates – Interest rates on Time Deposits will be at a Prosperity Bank CD rate in effect at the time of purchase for like balance and term of the Time Deposit.

Prosperity Bank does not offer a 7 to 29 day term Certificate of Deposit option. The rate quoted applied to all terms equal to or greater than 30 days.

Account analysis earnings credit:

As the City’s current depository bank, there is no analysis fees charged, and therefore there are no historical schedule of rates charged to the City. If the City were charged analysis fees then an offset to the transaction fees, an earnings credit equal to the three (3) month WJS Treasury Bill auction average for the prior month (as published in the weekly Federal Reserve Statistical Release H-15) minus 75 basis points will be applied to the average collected balance less a Federal Reserve requirement of 10%.

**ATTACHMENT #3
COLLATERAL AGREEMENT**

COLLATERAL AGREEMENT

STATE OF TEXAS

COUNTY OF _____

This agreement is made and entered into this ____ day of _____, by and between _____ (“Depository Beneficiary”), Prosperity Bank, a state banking association, (“Depository Bank”), and the **Federal Home Loan Bank of Dallas, (“Safekeeping Bank”)**.

WITNESSETH:

WHEREAS, _____ and Depository Bank have entered into a Depository Contract dated _____; and

WHEREAS, under the provisions of law and the Depository Contract the Depository Bank must secure the deposits by pledging investment securities; and

WHEREAS, the securities pledged by the Depository Bank under the Depository Contract must be transferred to and held by a bank selected for safekeeping; and

WHEREAS, the Depository Beneficiary and the Depository Bank have selected the Federal Home Loan Bank of Dallas as the Safekeeping Bank;

NOW THEREFORE, it is agreed by the parties hereto as follows:

1. Depository Bank hereby places with Safekeeping Bank certain investment securities owned by Depository Bank which are pledged to Depository Beneficiary as security for its deposits with Depository Bank,
2. The Depository Bank may from time to time substitute or place with Safekeeping Bank additional securities which are pledged to Depository Beneficiary. Whenever pledged securities are placed by Depository Bank with Safekeeping Bank, the Safekeeping Bank shall issue original safekeeping receipts within three (3) business days of such placement to the Depository Bank. No security placed with the Safekeeping Bank under this agreement shall be released by Safekeeping Bank except pursuant to the joint instructions of the Depository Beneficiary and the Depository Bank.
3. Securities placed with the Safekeeping Bank shall be under the joint control of the Depository Bank and the Depository Beneficiary. However, in the event the investment officer of the Depository Beneficiary certifies in writing to the Safekeeping Bank with a copy to the Depository Bank that the Depository Bank has failed to perform any of the duties or obligations imposed by the Depository Contract or the depository laws of the State of Texas and said failure has

continued for three business days, with no attempt on the part of the Depository Bank to rectify the failure after proper notice, then the Depository Bank shall have no further control over the pledged securities and the Safekeeping Bank shall deliver to the investment officer of the Depository Beneficiary all securities deposited hereunder without requiring further authorization, release or direction from the Depository Bank. Further, the Depository Bank does hereby release and discharge the Safekeeping Bank from any liability for the release of the pledged securities to the Depository Beneficiary in accordance with the provisions of this paragraph.

4. Safekeeping Bank agrees to perform all duties hereof and to indemnify the Depository Beneficiary for any reasonable loss, cost, or expense, including reasonable attorney's fees, resulting from its failure to perform the duties imposed upon it by this Collateral Agreement unless such loss can be demonstrated by Safekeeping Bank to have been due to a cause or causes beyond the reasonable control of Safekeeping Bank (such as acts of God, acts of the public enemy, insurrections, riots, explosions, or other cataclysmic events) or to have been caused in whole or in part by the error, dishonesty, omission, fraud, embezzlement, theft or negligence of the Depository Beneficiary, its employees, its officers, its agents, or its directors.
5. Depository Bank agrees to pay all costs or charges imposed on it by Safekeeping Bank for the performance of services provided under this Collateral Agreement.
6. Any suit arising out of or in any way connected with this Collateral Agreement shall be brought in a court of proper jurisdiction in _____ County, Texas.

EXECUTED in multiple originals this _____, day of _____.

Depository Bank
Prosperity Bank

Depository Beneficiary

By: _____
Its: _____

By: _____
Its: _____

Safekeeping Bank
Federal Home Loan Bank of Dallas

By: _____
Its: _____

ATTACHMENT #4
FINANCIAL INFORMATION

The Call Report and Annual Reports can be found at the following websites:

FFIEC Call Report & UPBR Reference

Prosperity Bank IDRSSD #664756, Prosperity Bank Certificate #16835

<https://cdr.ffiec.gov/public/ManageFacsimiles.aspx>

Prosperity Bancshares Inc Annual Reports

<http://www.prosperitybankusa.com>

ATTACHMENT #5 SECURITY MEASURES

Electronic: Prosperity Bank takes your security very seriously while striving to provide flexibility in conducting your Internet Banking. Industry wide, the threat of fraudulent ACH and Wire Transfer activity continues to escalate, and we have opted to implement a security solution for all Cash Management Users and/or Sub-Users, that process ACH files and Wires online. The security solution is a portable token device called VASCO, which is a small portable device that generates a one-time password to use each time you login to Internet Banking/Cash Management. This password is unique to your account and it changes every 36 seconds for your protection.

Non-Electronic: Prosperity Bank provides on-going training to bank employees regarding authentication of those transacting business in person, by telephone, fax or other non-electronic means. Transactions are not performed until the identity of the requestor has been confirmed through a series of questions and validation of identity has been confirmed. Additionally, Wire Transfers initiated outside of our cash management system require call back. Account to account transfers cannot be initiated to/from accounts that are not owned by the same accountholder. Authentication and identify verification is required on all non-electronic transactions prior to processing.

ATTACHMENT #6
TECHNOLOGY SPECIFICATIONS

Use of Prosperity Bank's Internet Banking/Cash Management requires that your internet browser software support the 128-bit encryption standard.

ATTACHMENT #7
SAFEKEEPING AGREEMENT

COLLATERAL AGREEMENT

STATE OF TEXAS

COUNTY OF _____

This agreement is made and entered into this ____ day of _____, by and between _____ (“Depository Beneficiary”), Prosperity Bank, a state banking association, (“Depository Bank”), and the **Federal Home Loan Bank of Dallas**, (“**Safekeeping Bank**”).

WITNESSETH:

WHEREAS, _____ and Depository Bank have entered into a Depository Contract dated _____; and

WHEREAS, under the provisions of law and the Depository Contract the Depository Bank must secure the deposits by pledging investment securities; and

WHEREAS, the securities pledged by the Depository Bank under the Depository Contract must be transferred to and held by a bank selected for safekeeping; and

WHEREAS, the Depository Beneficiary and the Depository Bank have selected the Federal Home Loan Bank of Dallas as the Safekeeping Bank;

NOW THEREFORE, it is agreed by the parties hereto as follows:

1. Depository Bank hereby places with Safekeeping Bank certain investment securities owned by Depository Bank which are pledged to Depository Beneficiary as security for its deposits with Depository Bank,
2. The Depository Bank may from time to time substitute or place with Safekeeping Bank additional securities which are pledged to Depository Beneficiary. Whenever pledged securities are placed by Depository Bank with Safekeeping Bank, the Safekeeping Bank shall issue original safekeeping receipts within three (3) business days of such placement to the Depository Bank. No security placed with the Safekeeping Bank under this agreement shall be released by Safekeeping Bank except pursuant to the joint instructions of the Depository Beneficiary and the Depository Bank.
3. Securities placed with the Safekeeping Bank shall be under the joint control of the Depository Bank and the Depository Beneficiary. However, in the event the investment officer of the Depository Beneficiary certifies in writing to the Safekeeping Bank with a copy to the Depository Bank that the Depository Bank has failed to perform any of the duties or obligations imposed by the Depository Contract or the depository laws of the State of Texas and said failure has

continued for three business days, with no attempt on the part of the Depository Bank to rectify the failure after proper notice, then the Depository Bank shall have no further control over the pledged securities and the Safekeeping Bank shall deliver to the investment officer of the Depository Beneficiary all securities deposited hereunder without requiring further authorization, release or direction from the Depository Bank. Further, the Depository Bank does hereby release and discharge the Safekeeping Bank from any liability for the release of the pledged securities to the Depository Beneficiary in accordance with the provisions of this paragraph.

4. Safekeeping Bank agrees to perform all duties hereof and to indemnify the Depository Beneficiary for any reasonable loss, cost, or expense, including reasonable attorney's fees, resulting from its failure to perform the duties imposed upon it by this Collateral Agreement unless such loss can be demonstrated by Safekeeping Bank to have been due to a cause or causes beyond the reasonable control of Safekeeping Bank (such as acts of God, acts of the public enemy, insurrections, riots, explosions, or other cataclysmic events) or to have been caused in whole or in part by the error, dishonesty, omission, fraud, embezzlement, theft or negligence of the Depository Beneficiary, its employees, its officers, its agents, or its directors.
5. Depository Bank agrees to pay all costs or charges imposed on it by Safekeeping Bank for the performance of services provided under this Collateral Agreement.
6. Any suit arising out of or in any way connected with this Collateral Agreement shall be brought in a court of proper jurisdiction in _____ County, Texas.

EXECUTED in multiple originals this _____, day of _____.

Depository Bank
Prosperity Bank

Depository Beneficiary

By: _____
Its: _____

By: _____
Its: _____

Safekeeping Bank
Federal Home Loan Bank of Dallas

By: _____
Its: _____

ATTACHMENT #8 SWEEP/OVERNIGHT INVESTMENT ACCOUNT

Prosperity Bank's proposed bid allows for Bank deposits only. Sweep arrangements between City deposit accounts, such as a zero-balance sweep between a payroll and an interest-bearing operating account, are an option Prosperity Bank provides. Prosperity Bank does not provide investment advice. Prosperity Bank does not provide sweep services to overnight or other investments outside of the Bank (such as SEC registered money market mutual fund investments).

Prosperity provides several Sweeps/Transfers Services at no charge to the City.

1. Sweeps/Transfers – Maintaining a Zero Balance
Account always maintains a zero balance. Monies will sweep out if a deposit posts and will sweep in when a debit posts.
2. Sweeps/Transfers – Maintaining a Maximum Balance
Account balance will not exceed a designated dollar amount.
Anytime the dollar amount exceeds the maximum amount, it will sweep to another account.
3. Sweeps/Transfers – Overdraft Protection or Account Requiring a Minimum Balance
This procedure is used when a customer wants an account to be protected by another account. It is also used when a customer wants an account to never fall below a minimum balance.

*Sweep for investment options or to any third parties is not available to Public Fund accounts.

ATTACHMENT #9 CONTINUATION PLAN

Prosperity Bank has a formal disaster recovery and business continuity plan. If a specific banking center is impacted and becomes non-functional, alternative plans are to use the nearest banking center facility until the damaged banking center is operable again. If Prosperity Bank's web page used to access Internet Banking/Cash Management is not accessible, there is an alternate site that can be used to sign directly into the system bypassing the Prosperity Bank front end web page. If the Internet Banking/Cash Management system is inoperable, alternative plans for processing include: 1) Wire Transfers can be initiated by faxing the request directly to a banking center for processing. 2) ACH files can be transmitted by delivering a NACHA formatted file to the bank via disk or secured email. 3) Transfers can be initiated by calling the banking center directly for processing. Prosperity Bank is committed to providing the best, continuous, uninterrupted banking service for our customers to the best of our abilities. Alternative recovery solutions are in place for all aspects of potential system failures. Recovery tests are performed annually.

ATTACHMENT #10
REFERENCES/CLIENTS

Privacy regulations prohibit us from providing contact information. Prosperity Bank is proud to have been awarded the bids of our local, Texas based governmental entities and currently banks over 490 such entities. The Bank currently manages public fund accounts totaling approximately \$3.42 billion in deposits.

ATTACHMENT #11 EMPLOYEE BANK BENEFITS

Prosperity Bank knows that your employees are valued. As your depository bank, we will make available the following items that can be passed on to your employees as an added benefit:

*Free City Checking Account (non-interest bearing) with a direct deposit account:

- PERSONAL CHECKING

- \$200.00 to open
- No monthly service charge
- Unlimited check writing
- Easy to balance monthly imaged statement
- Advantage Overdraft protection up to \$500 to *qualifying accounts
- Automatic Transfer to any other Prosperity Bank deposit or loan account
- 24-Hour FASTLINE automated telephone banking
- Free, secure Internet Banking
- Low-Cost Internet Bill Pay services
- Free customer notary service
- Free one time, maximum 200, bank stock checks in single or duplicate style

- As a City Employee – No Charge for Payroll Check Cashing

**Employees must have proper identification and no derogatory credit information reported on Chexsystems.*

ATTACHMENT #12 OTHER BANK SERVICES AVAILABLE

On-line, Real-time Internet Banking Services – No Charge

- Account information inquiry includes current and available balances
- Online statement retrieval
- Transaction history download
- Schedule “one time” or “recurring” funds transfer between accounts
- Schedule “one time” or “recurring” loan payments.

Web-based Wire Transfer Origination – No Charge

- Set up and initiate “one time” or “recurring” wire transfer instructions through our Internet Banking Product. Single-user, multi-user, and/or dual control authorities are allowed with password and dollar-limit restrictions.

Web-based ACH Origination – No Charge

- Originate electronic payroll deposits or payment drafts through our Internet Banking Product
- Import NACHA-ready files from third-party software applications, or create payroll or payment databases directly in our products.

Web-based Bill Pay Services – No Charge

- Create accounts payable databases and initiate payments online through our Internet Banking Product.

Lock Box Services-Price available based on transaction volumes and other Variables related to lock-box processing.

- Payment collections and processing reduces collection time on checks.

Merchant Credit Card Services

- Credit Card acceptance for all type of businesses including retail stores, restaurants, hotels and service companies.

Remote Deposit Capture

- Scan checks for deposit and electronically transmit those check deposits to your account. A scanning device is used by the City to scan checks, prepare the electronic deposit using software provided by the Bank, and securely transmit the electronic deposit to the Bank. Scanner selections and pricing are available upon request.

Check Processing Services

- Cross Check is the nation’s largest privately held Payment Guarantee Company.

ACH Debit Block – No Charge

- Stop Pay options allow for ACH debit and credit block

Safe Deposit Boxes – Availability at your local Banking Center office – No Charge

- We will make available one 5x10 safe deposit box.

24-Hour FASTLINE Automated Telephone Banking 24 hours/7 days a week – No Charge

- Checking and Savings Account Information: Withdrawal, Deposit, Funds Transfers, Find Transaction and More Options
- Certificate of Deposit Information: Fax, Balance, Interest, Change PIN
- IRA Information: Fax, Balance, Interest, Change PIN
- Loan Information: Advances, Payments, Find Transactions, and More Options.

Check Imaging – No Charge

- Prosperity Bank provides check imaging with CD-ROM options. Checks can be reviewed online front and back and downloaded. Bank statements are also available via Internet for convenience and physical downloading. Statements include all debits and credits including the last day of the cycle with detailed information. Ledger statements or CD-ROMs are mailed within 5 banking days after the close of the calendar month.

Direct Payment For Utilities Charges – No Charge

- This would be ACH Origination much like what you have currently with Prosperity with the City payroll origination except this would be debits instead of credits. Your customer could sign up for auto debit and the City would build a NACHA formatted ACH file and import it into our system and we would process it through FED.

Positive Pay Accounting – No Charge

- Prosperity Bank provides Positive Pay services via Internet Banking Positive Pay for the purpose in identifying fraudulent or unauthorized checks drawn on accounts selected by the City.

DISCLOSURES

Notice of Negative Information (Pre-sharing)

Federal law requires us to provide the following notice to customers before any "negative information" may be furnished to a nationwide consumer reporting agency. "Negative information" means information concerning delinquencies, late payments, insolvency, or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about customers that have not done what they are required to do under our agreement.

After providing this notice, additional negative information may be submitted without providing another notice.

* * * *

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.



FACTS

WHAT DOES PROSPERITY BANK DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and account balances
- Payment History and transaction or loss history
- Checking account information and account transactions

When you are *no longer* our customer, we may continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Prosperity Bank chooses to share; and whether you can limit this sharing.

Reasons financial companies can share your personal information	Does Prosperity Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes— information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Contact your local banking center or go to www.prosperitybankusa.com

What we do

How does Prosperity Bank protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does Prosperity Bank collect my personal information?

We collect your personal information, for example, when you

- Open an account or deposit money
- Apply for a loan or give us your income information
- Give us your contact information

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes—information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Prosperity Bank does not share with our affiliates*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Prosperity Bank does not share with nonaffiliates for marketing purposes*

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partner is another financial institution that executes securities transactions for our customers*

Other important information

Prosperity Bank[®] is chartered under the laws of the State of Texas and by state law is subject to regulatory oversight by the Texas Department of Banking. Any consumer wishing to file a complaint against Prosperity Bank[®] should contact the Texas Department of Banking.

Prosperity Bank[®] also engages in the money transmission and/or currency exchange business as an authorized delegate of **MoneyGram International** under Chapter 151 of the Texas Finance Code. If you have a complaint, first contact the consumer assistance division of MoneyGram at **1-800-926-9400**. If you purchased these products in Texas or Oklahoma and you still have an unresolved complaint regarding the company's money transmission or currency exchange activity, please direct the complaint to the Texas Department of Banking.

Consumers may file complaints with the Texas Department of Banking by contacting the Department through one of the means indicated below.

- In Person or by U.S. Mail: Texas Department of Banking
2601 North Lamar Boulevard, Suite 300
Austin, Texas 78705-4294
- By Telephone: 1-877/276-5554 (toll free)
- By Fax: 1-512/475-1313
- By Email: consumer.complaints@dob.texas.gov
- Via the Internet Website: www.dob.texas.gov

Terms and Conditions of Your Account

Agreement. This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws, the laws of the state of Texas and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

1. summarize some laws that apply to common transactions;
2. establish rules to cover transactions or events which the law does not regulate;
3. establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

"Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

Liability. You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to

the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

Deposits. We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

Withdrawals.

Generally. Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive

written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

Postdated Checks. A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

Checks and Withdrawal Rules. If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

Overdrafts. You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

Multiple Signatures, Electronic Check Conversion, and Similar Transactions. An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

Notice of Withdrawal. We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

Uniform Single-Party or Multiple-Party Account

Selection Form Notice. The type of account you select may determine how property passes on your death. Your will may not control the disposition of funds held in some of the following accounts. You may choose to designate one or more convenience signers on an account, even if the account is not a convenience account. A designated convenience signer may make transactions on your behalf during your lifetime, but does not own the account during your lifetime. The designated convenience signer owns the account on your death only if the convenience signer is

also designated as a P.O.D. payee or trust account beneficiary.

Single-Party Account Without "P.O.D." (Payable on Death) Designation. The party to the account owns the account. On the death of the party, ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

Single-Party Account With "P.O.D." (Payable on Death) Designation. The party to the account owns the account. On the death of the party, ownership of the account passes to the P.O.D. beneficiaries of the account. The account is not a part of the party's estate.

Multiple-Party Account Without Right of Survivorship. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes as a part of the party's estate under the party's will or by intestacy.

Multiple-Party Account With Right of Survivorship. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes to the surviving parties.

Multiple-Party Account With Right of Survivorship and "P.O.D." (Payable on Death) Designation. The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the P.O.D. beneficiaries.

Convenience Account. The parties to the account own the account. One or more convenience signers to the account may make account transactions for a party. A convenience signer does not own the account. On the death of the last surviving party, ownership of the account passes as a part of the last surviving party's estate under the last surviving party's will or by intestacy. The financial institution may pay funds in the account to a convenience signer before the financial institution receives notice of the death of the last surviving party. The payment to a convenience signer does not affect the parties' ownership of the account.

Trust Account. The parties named as trustees to the account own the account in proportion to the parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not a part of a trustee's estate and does not pass under the

trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

Business, Organization and Association Accounts. Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

Stop Payments. Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law, it must be made in a signed and dated writing, and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because stop-payment orders are handled by computers, to be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. Your stop-payment order is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

Telephone Transfers. A telephone transfer of funds from this account to another account with us, if otherwise

arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

Amendments and Termination. We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. You agree to keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

Statements.

Your Duty to Report Unauthorized Signatures, Alterations and Forgeries. You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make

the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your Duty to Report Other Errors. In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, such time period shall not exceed 60 days. Failure to examine your statement and report any such errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any such errors on items identified in that statement and as between you and us the loss will be entirely yours.

Errors Relating to Electronic Fund Transfers or Substitute Checks *(For consumer accounts only)*. For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

Direct Deposits. If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the U.S. Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

Temporary Account Agreement. If this option is selected, this is a temporary account agreement. Each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

Set-Off. We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including

any balance the due date for which we properly accelerate under the note.

This right of set-off does not apply to this account if prohibited by law. For example, the right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity, or (d) the debt is created by a home equity loan. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

Check Processing. We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have not failed to exercise ordinary care solely because we use our automated system to process items and do not inspect all items processed in such a manner. Using an automated process helps us keep costs down for you and all account holders.

Check Cashing. We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

Truncation, Substitute Checks, and Other Check Images. If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

Remotely Created Checks. Like any standard check or draft, a remotely created check (sometimes called a

telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line. For example, if a person provides an account number in response to a telephone solicitation, the telephone solicitor can use the account number to issue a remotely created check to withdraw money from that account.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

Unlawful Internet Gambling Notice. Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

ACH and Wire Transfers. This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

Facsimile Signatures. Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

Restrictive Legends. The automated processing of the large volume of checks we receive prevents us from inspecting or looking for special instructions or "restrictive legends" on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restriction. We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

Account Transfer. This account may not be transferred or assigned without our prior written consent.

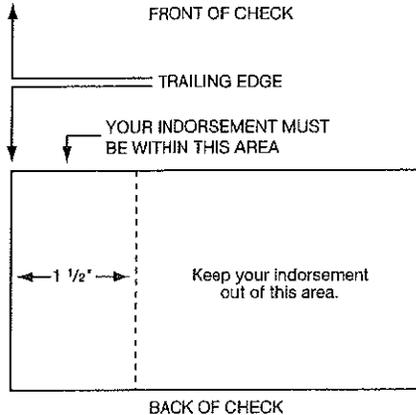
Indorsements. We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g., additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.

[This area intentionally left blank.]

Name	7654
Address, City, State	_____ 20 _____
Pay to the order of	_____ \$ _____
	_____ dollars
Bank Name and Location	
Memo	
⑆ 1 2 3 4 5 6 7 8 9 ⑆ 7 6 5 4	



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement, or information you have printed on the back of the check obscures our indorsement. These indorsement guidelines apply to both personal and business checks.

Death or Incompetence. You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or becomes legally incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or legal incompetence for up to ten (10) days after your death or legal incompetence unless ordered to stop payment by someone claiming an interest in the account.

Fiduciary Accounts. Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

Credit Verification. You agree that we may verify credit and employment history by any necessary means,

including preparation of a credit report by a credit reporting agency.

Legal Actions Affecting Your Account. If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

Security. It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Your account number can also be used to electronically remove money from your account. If you provide your account number in response to a telephone solicitation for the purpose of making a transfer (to purchase a service or merchandise, for example), payment can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

You agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss.

Telephonic Instructions. Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

Claim of Loss. If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you. You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

Early Withdrawal Penalties (and involuntary withdrawals). We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

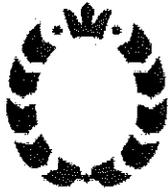
Address or Name Changes. You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

Resolving Account Disputes. We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are

dishonored as a consequence of placing a hold on funds in your account for these reasons.

Waiver of Notices. You waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account.

Additional Terms.



PROSPERITY BANK[®]

NOTICE REGARDING PAYMENT OF ITEMS -

To help you better utilize your Prosperity account it is important that you are aware of the order in which we pay items drawn against your checking (demand deposit) account. When processing items drawn on your account, our policy is to pay items in the order received.

The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. The law permits us to pay items drawn on your account in any order. There is no policy that is favorable in every instance. Paying items in the order received is a neutral posting order.

If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item for non-sufficient funds. Costs of the overdraft and return item fees have been disclosed to you previously. We encourage you to make careful records and practice good account management. This will help you avoid items being drawn against your account without sufficient funds and incurring the resulting fees.

ELECTRONIC FUND TRANSFERS
YOUR RIGHTS AND RESPONSIBILITIES

The Electronic Fund Transfers we are capable of handling for consumers are indicated below, some of which may not apply to your account. Some of these may not be available at all terminals. Please read this disclosure carefully because it tells you your rights and obligations for these transactions. You should keep this notice for future reference.

TYPES OF TRANSFERS, FREQUENCY AND DOLLAR LIMITATIONS

(a) Prearranged Transfers.

- Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your
 - checking and/or savings account(s).
- Preauthorized payments. You may make arrangements to pay certain recurring bills from your
 - checking and/or savings account(s).
- _____

(b) Telephone Transfers. You may access your account(s) by telephone at Fastline using a touch tone phone, your account numbers, and your personal identification number ("PIN") to:

- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from _____ to _____
- Transfer funds from _____ to _____
- Make payments from checking to loan accounts with us
- Make payments from _____ to _____
- Make payments from _____ to _____
- Get checking account(s) information
- Get savings account(s) information
- _____
- _____

(c) ATM Transfers. You may access your account(s) by ATM using your ATM CARD or DEBIT CARD and personal identification number to:

- Make deposits to checking accounts
- Make deposits to savings accounts
- Get cash withdrawals from checking accounts you may withdraw no more than \$600.00 per day
- Get cash withdrawals from savings accounts you may withdraw no more than \$600.00 per day
- Transfer funds from savings to checking
- Transfer funds from checking to savings
- Transfer funds from _____ to _____
- Make payments from checking account to loans you have with us. Payments at ATMS are subject to verification.

- Make payments from _____ to _____
- Get checking account(s) information
- Get savings account(s) information
- Some of these services may not be available at all terminals.
- _____
- _____

(d) Point-Of-Sale Transactions.

Using your card:

- You may access your checking account _____ account(s) to purchase goods (in person, by phone, by computer), pay for services (in person, by phone, by computer), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.
- You may not exceed more than \$200.00 in transactions per day for accounts open less than one year
- Teen Checking may not exceed more than \$200 in transactions per day. All other accounts may not exceed more than \$2,500.00 in transactions per day for accounts opened at least one year.

(e) Computer Transfers. You may access your account(s) by computer by online banking access at prosperitybankusa.com

_____ and using your User ID and Password _____ to:

- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from your account with us to your account at another institution
- Transfer funds from _____ to _____
- Make payments from checking to loan accounts with us
- Make payments from your checking account to third parties for bill payment
- Make payments from _____ to _____
- Get checking account(s) information
- Get savings account(s) information
- Wire transfers and ACH origination transfers are available for Cash Management customers (not available on mobile application)
- _____

(f) Mobile Banking Transfers. You may access your account(s) by web-enabled cell phone by mobile application or at www.prosperitybankusa.com and using your access ID and passcode _____ to:

- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from _____ to _____
- Transfer funds from _____ to _____
- Make payments from checking to loan accounts with us
- Make payments from checking accounts to third parties
- Make payments from _____ to _____
- Get checking account(s) information
- Get savings account(s) information
- Deposit funds via mobile application (limitations apply)
- _____
- _____
- _____
- _____
- _____
- You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

(g) Electronic Fund Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and financial institution information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via

some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. You may:
 - Not exceed more than _____ payments by electronic check per _____.
 - Make payments by electronic check from _____ . Payments are limited to _____ per _____ .
- Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic fund transfer to collect a charge in the event a check is returned for insufficient funds. You may:
 - Make no more than _____ payments per _____ for electronic payment of charges for checks returned for insufficient funds.
 - Make electronic payment of charges for checks returned for insufficient funds from _____ . Payments are limited to _____ per _____ .
- _____
- _____
- _____
- _____

GENERAL LIMITATIONS

In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers or withdrawals from a money market/savings account to another account of yours or to a third party by means of a preauthorized or automatic transfer or telephone order or instruction, computer transfer, or by check, draft, debit card or similar order to a third party, are limited to six per statement cycle / calendar month . If you exceed the transfer limitations set forth above, your account shall be subject to closure.
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

FEES

- We charge \$1.50 each month _____ to our customers whose accounts are set up to use an ATM Card or Debit Card _____
- We charge _____ each _____ but only if the _____ balance in the _____ falls below _____ during the _____
- \$3.00, each, ATM/Debit transactions off premises. _____
- \$10.00, each, Overdraft Transfer _____
\$5.00, each, Telephone Transfer _____

Except as indicated above, we do not charge for Electronic Fund Transfers.

ATM Operator/Network Fees: When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

DOCUMENTATION

(a) Terminal Transfers. You can get a receipt at the time you make a transfer to or from your account using a(n)

- automated teller machine
- point-of-sale terminal.
- You may not get a receipt if the amount of the transfer is \$15 or less.

(b) Preauthorized Credits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the telephone number listed below to find out whether or not the deposit has been made.

(c) In addition,

- You will get a monthly account statement from us, unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.
- You will get a quarterly statement from us on your savings account if the only possible electronic transfer to or from the account is a preauthorized credit.
- If you bring your passbook to us, we will record any electronic deposits that were made to your account since the last time you brought in your passbook.
- _____

PREAUTHORIZED PAYMENTS

(a) Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call or write us at the telephone number or address listed in this disclosure, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

- We charge \$35.00 _____ for each stop payment.

(b) Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

(c) Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

(a) Liability for failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- ◆ If, through no fault of ours, you do not have enough money in your account to make the transfer.
- ◆ If the transfer would go over the credit limit on your overdraft line.
- ◆ If the automated teller machine where you are making the transfer does not have enough cash.
- ◆ If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- ◆ If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- ◆ There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) if you give us written permission.
 - as explained in the separate Privacy Disclosure.
 - _____

UNAUTHORIZED TRANSFERS

(a) Consumer Liability. Tell us at once if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission. Also, if you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time period.

Visa® Debit Card. Additional Limits on Liability for debit cards

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa card. This additional limit on liability does not apply to ATM transactions outside of the U.S., to ATM transactions not sent over Visa or Plus networks, or to transactions using your Personal Identification Number which are not processed by Visa. Visa is a registered trademark of Visa International Service Association.

MasterCard® Debit Card. Additional Limits on Liability for debit cards

You will not be liable for any unauthorized transactions using your MasterCard debit card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. MasterCard is a registered trademark of MasterCard International Incorporated.

(b) Contact in event of unauthorized transfer. If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed at the end of this disclosure. You should also call the number or write to the address listed at the end of this disclosure if you believe a transfer has been made using the information from your check without your permission.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed below, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (5 business days if involving a Visa® point-of-sale transaction processed by Visa or 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days if involving a Visa point-of-sale transaction processed by Visa or 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

ADDITIONAL INFORMATION:

Currency Conversion and Cross-Border Transaction Fees. If you effect a transaction with your MasterCard - branded Debit Card in a currency other than US Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by MasterCard. The exchange rate MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account. MasterCard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border Transaction fee of .9%. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the MasterCard Debit Switch in which the country of the merchant is different than the country of the cardholder. Advisory Against Illegal Use. You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located. Please see your cardholder agreement for additional information relating to the use of your Debit Card.

By signing below customer acknowledges receipt of pages 1, 2, 3, 4 and 5 of this notice:

Signed

Dated

INSTITUTION (name, address, telephone number, business days)

Prosperity Bank

1301 N Mechanic St
El Campo, TX 77437-2633

DEFINITION OF BUSINESS DAY: Business days are Monday through Friday excluding holidays.

CALL US AT: (800) 531-1401

IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT Substitute Checks and Your Rights

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Prosperity Bank
1301 N Mechanic St
El Campo, TX 77437-2633
(979)578-8181

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

- ◆ A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- ◆ An estimate of the amount of your loss;
- ◆ An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- ◆ A copy of the substitute check or the following information to help us identify the substitute check: For example, the check number, the name of the person to whom you wrote the check, and the amount of the check is required in addition to or instead of the substitute check.



PROSPERITY BANK®

1301 North Mechanic
El Campo, TX 77437
979-578-8181

FUNDS AVAILABILITY POLICY DISCLOSURE

PURPOSE OF THIS DISCLOSURE

The information describes our policy for holding deposited items in a transaction account before funds are made available to you for withdrawal. This is what is called our Funds Availability Policy.

For purposes of this disclosure, the terms "you" and "your" refer to the customer and the terms "our" "we" and "us" refer to the Bank.

Generally, transaction accounts are accounts which would permit an unlimited number of payments by check to third persons, and also an unlimited number of telephonic and preauthorized transfers to third persons or other accounts you may have with us.

DETERMINING THE AVAILABILITY OF YOUR DEPOSIT

The length of the delays varies depending on the type of deposit and is explained below. When we delay your ability to withdraw funds from a deposit, you may not withdraw the funds in cash, and we will not pay checks you have written on your account by using these funds. Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

When we delay your ability to withdraw funds, the length of the delay is counted in Business Days from the day of your deposit. The terms "Business Day" means any day other than a Saturday, Sunday or federally declared legal holiday, and the term "Banking Day" means that part of any Business Day on which we are open to the public for carrying on substantially all of our banking functions.

If you make a deposit before 6:00 pm on a Business Day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 6:00 pm or on a day that we are not open, we will consider the deposit made on the next Business Day we are open.

AVAILABILITY SCHEDULE

Same Day Availability. Funds from electronic direct deposit to your account will be available on the day we receive the deposit.

Next Day Availability. Funds from the following deposits are available on the first business day after the day of your deposit: (a) U.S. Treasury checks that are payable to you; (b) wire transfer, including preauthorized credits, such as social security benefits and payroll payments; and (c) checks drawn on us.

In addition, if you make the following deposit in person to one of our employees, these deposits will also be available on the first business day after the day of your deposit: (a) cash; (b) state and local government checks that are payable to you; (c) cashier's, certified and teller's checks that are payable to you; and (d) Federal Reserve Bank checks, Federal Home Loan Bank checks and postal money orders, if these items are payable to you. If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day of your deposit.

Local Checks. The delay for check deposits other than those indicated above depends on if the check is a local check. To determine if a check is a local check, look at the routing number on the check. If the first four digits of the routing number are listed below, then the check is a local check:

0110, 0111, 0112, 0113, 0114, 0115, 0116, 0117, 0118, 0119, 0210, 0211, 0212, 0213, 0214, 0215, 0216, 0219, 0220, 0223, 0260, 0280, 0310, 0311, 0312, 0313, 0319, 0360, 0410, 0412, 0420, 0421, 0422, 0423, 0430, 0432, 0433, 0434, 0440, 0441, 0442, 0510, 0514, 0515, 0519, 0520, 0521, 0522, 0530, 0531, 0532, 0539, 0540, 0550, 0560, 0570, 0610, 0611, 0612, 0613, 0620, 0621, 0622, 0630, 0631, 0632, 0640, 0641, 0642, 0650, 0651, 0652, 0653, 0654, 0655, 0660, 0670, 0710, 0711, 0712, 0719, 0720, 0724, 0730, 0739, 0740, 0749, 0750, 0759, 0810, 0812, 0813, 0815, 0819, 0820, 0829, 0830, 0839, 0840, 0841, 0842, 0843, 0863, 0865, 0910, 0911, 0912, 0913, 0914, 0915, 0918, 0919, 0920, 0921, 0929, 0960, 1010, 1011, 1012, 1019, 1020, 1021, 1022, 1023, 1030, 1031, 1039, 1040, 1041, 1049, 1070, 1110, 1111, 1113, 1119, 1120, 1122, 1123, 1130, 1131, 1140, 1149, 1163, 1210, 1211, 1212, 1213, 1220, 1221, 1222, 1223, 1224, 1230, 1231, 1232, 1233, 1240, 1241, 1242, 1243, 1250, 1251, 1252, 2110, 2111, 2112, 2113, 2114,

2115, 2116, 2117, 2118, 2119, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2219, 2220, 2223, 2260, 2280, 2310, 2311, 2312, 2313, 2319, 2360, 2410, 2412, 2420, 2421, 2422, 2423, 2430, 2432, 2433, 2434, 2440, 2441, 2442, 2510, 2514, 2515, 2519, 2520, 2521, 2522, 2530, 2531, 2532, 2539, 2540, 2550, 2560, 2570, 2610, 2611, 2612, 2613, 2620, 2621, 2622, 2630, 2631, 2632, 2640, 2641, 2642, 2650, 2651, 2652, 2653, 2654, 2655, 2660, 2670, 2710, 2711, 2712, 2719, 2720, 2724, 2730, 2739, 2740, 2749, 2750, 2759, 2810, 2812, 2813, 2815, 2819, 2820, 2829, 2830, 2839, 2840, 2841, 2842, 2843, 2863, 2865, 2910, 2911, 2912, 2913, 2914, 2915, 2918, 2919, 2920, 2921, 2929, 2960, 3010, 3011, 3012, 3019, 3020, 3021, 3022, 3023, 3030, 3031, 3039, 3040, 3041, 3049, 3070, 3110, 3111, 3113, 3119, 3120, 3122, 3123, 3130, 3131, 3140, 3149, 3163, 3210, 3211, 3212, 3213, 3220, 3221, 3222, 3223, 3224, 3230, 3231, 3232, 3233, 3240, 3241, 3242, 3243, 3250, 3251, 3252

Some checks are marked "payable through" and have a four-or nine-digit number nearby. For these checks, use the four-digit number (or the first four digits of the nine-digit number) not the routing number on the bottom of the check, to determine if these checks are local.

The first \$200.00 from a deposit of local checks will be available on the first business day after the banking day of deposit. The remaining funds will be available on the second business day after the day of your deposit.

For example, if you deposit a local check of \$700.00 on a Monday, \$200.00 of the deposit is available on Tuesday. The remaining \$500.00 is available on Wednesday.

HOLDS ON OTHER FUNDS FOR CHECK CASHING

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

HOLDS ON OTHER FUNDS IN ANOTHER ACCOUNT

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period under the following circumstances: (a) if we believe a check you deposit will not be paid; (b) if you deposit checks totaling more than \$5,000 on any one day; (c) if you redeposit a check that has been returned unpaid; (d) if you have overdrawn your account repeatedly in the last six months; or (e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

We will notify you if we delay your availability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new customer, the following special rules will apply during the first 30 days your account is opened.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES

We only allow deposits to be made at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.



Electronic Disclosure Consent Statement

This statement asks for your consent so that we can provide communications and information to you in an electronic format rather than in paper format. Before you decide whether or not you wish to provide your consent to receiving electronic disclosures, you should read and consider the following information. Then, if you decide to consent, you can click the "I Agree" button at the bottom of this statement. For your consent to be effective, your computer and browser will need to meet the hardware and software requirements discussed below.

This statement contains important information that we are required by law to provide to you. You should keep a copy for your records. If you have any questions about E- disclosures that are not answered, feel free to communicate with us by contacting your local banking center.

Our Internet Banking Service was designed and built to provide records to you in electronic form. You cannot enroll in the Service online without agreeing to receive the Internet Banking Agreement and Disclosure in electronic form.

If you consent, we may also provide other disclosures in an electronic format. These disclosures may include but are not limited to the following:

- Updates or Amendments to our Internet Banking and Bill Payment Agreement;
- Monthly account statements;
- Notice of change in account terms;
- Notice of fee changes;
- Responses to any questions you may have about electronic funds transfers;
- Privacy and security notices.

If you wish to receive electronic "only" account statements, we will ask you to complete a separate consent process.

1. How to Obtain Electronic Disclosures (E-Disclosures)

We will always post our most current Internet Banking and Bill Pay Agreement on our website. If any amendment(s) to this agreement results in an adverse affect upon our customers, we will provide at least 30 days prior notice through a secure online message and/or external email alert.

We may also send you an external email notice and/or secure message through our Internet Banking Service to inform you where other important disclosures or account statements can be viewed on our website or within our Internet Banking Service.

You may download or print all electronic notices and disclosures from your computer if you have the hardware and software described below. You can also save copies of electronic notices and disclosures to your hard drive or other media for viewing and printing at a later time.

If you have trouble printing or if you need a paper copy for a special situation, you may request a paper copy from us by contacting us through any of the methods listed above. If you need a paper copy of any E-disclosure, we will provide the first copy for free. Charges may apply for additional paper copies.

2. System and Equipment Requirements

Prior to accepting the electronic delivery of disclosures, you should verify that you have the required hardware and software necessary to access the system and retrieve documents and disclosures in an electronic format. You will need:

- Internet Access.
- A computer and Internet browser that can support 128-bit encryption.
- For security purposes, we support the most current version of popular browsers, such as Microsoft Internet Explorer, Mozilla/Firefox, Netscape Navigator/Communicator, or AOL's browser. The most current browser

versions are typically more secure and will support 128 bit encryption. Browser upgrades are accessible on the Internet banking login page.

- A printer for printing E-disclosures and/or you sufficient hard-drive space or other media (e.g. CD, DVD) if you plan to save disclosures in an electronic format.
- An external email address. This is necessary so that we can send you notices when E-disclosures are available on our website or within the Internet banking service.

We may revise hardware and software requirements from time-to-time. If there is a material chance that the changes may impact your ability to access the system or E-disclosures, we will notify you of these changes thirty (30) days in advance. At that time, you will be given an opportunity to change the format of your disclosures (e.g. change from an electronic format to paper format) without the imposition of any fees.

3. Cancellation of E-Disclosures

If you consent to receive E-disclosures and later change your mind, you may withdraw your consent and change to paper delivery format.

You can notify us of your intent to cancel E-disclosures by sending us a secure message through the Internet Banking Service, or by contacting us through any of the methods listed above.

If you send us a secure message or write us a letter, please be sure to identify yourself and the applicable accounts.

If you have agreed to receive electronic-only account statements, you can "opt-out" on the "Statements" page within the Internet Banking Service. After your opt-out request is processed, you will begin receiving paper copies of account statements and additional charges may apply.

4. Address Changes

In order to provide E-disclosures, we must maintain current customer email address at all times. It is your sole responsibility to provide us with your correct contact information, including your email address.

You should notify Prosperity Bank of any changes to your personal contact information by contacting your local banking center. If you wish to notify us electronically, please update your personal information through the User Services menu within our Internet Banking Service.

5. Proceed with Acceptance of E-Disclosures

With your acceptance below, you agree to accept Internet Banking and Bill Payment related disclosures in an electronic format. You also agree that you have the necessary equipment for accessing and viewing the disclosures and you agree to notify us if you change your email address or if you no longer want to receive disclosures electronically.

If you enroll for Internet Banking services in one of our branch locations, we may send you an email and ask you to confirm your email address, and your ability to access E-disclosures.

If you do not want E-disclosures, select the "cancel" button below. If you do not accept E-disclosures you will not be able to proceed with online enrollment for our Internet Banking and Bill Pay Service. However, you can still enroll for Internet Banking in any of our branch locations and we will provide the required disclosures for Internet Banking services in a paper format. You can still accept electronic "only" delivery of account statements and other disclosures at a later time through the Internet Banking Service or by contacting us through any of the methods specified above.

Internet Banking Agreement - Internet Banking Services Agreement, Fees and Electronic Funds Transfer Disclosure

This agreement (the "Agreement") is between Depositor ("I", "me", "my", and "mine") and Prosperity Bank ("Bank") for the delivery of the Internet Banking Services as described below.

Section 1. Definitions

Accounts: Any Personal Account as included on the Internet Banking Application and approved by the Bank in writing.

User: Any Individual that I have authorized the access and use of the Internet Banking Services according to the rules and procedures described herein.

Business Day: The day during which the main office of Bank is open for business, in accordance with specified cut-off times, and during which Bank is able to download my information and process transactions.

Current Balance: The Account balance that is the result of the total debit and credit activity as of a specific date and time for all Accounts.

Collected Balance: The Current Balance of the Account, less float.

Available Balance: The current balance of the Account minus holds, and memo posted debits plus memo posted credits.

Float: Dollar amount of deposited items that are in the process of collections from the drawee banks. Also known as uncollected funds.

Hold: A restriction on payment of all or any part of the balance in an account.

Memo Posted Debits: Any debits posted to the account for business day. For example ACH debit transactions, wire transfers, and teller cashed checks.

Memo Posted Credits: Any credits posted to the account for the business day. For example, ACH credit transactions and wire transfers.

Section 2. Internet Banking Services

As a member of the Internet Banking Services, User and I may request any of the services listed below. I understand that I must have a checking account, User ID and password with Prosperity Bank in order to receive Internet Banking Services.

Perform Account inquires on Account data and transaction history on the Accounts.

Initiate stop payment requests. I understand the electronically transmitted stop-payment orders are pending final verification that check has not been processed and that stop payment is valid. The Bank must receive the stop-payment order, in time to allow the Bank reasonable opportunity to act on it before the stop-payment cut-off time which is one hour after the opening of the banking day on which Bank receives the item. Bank agrees to receive my request to initiate a stop payment order. To be effective, my stop-payment order must precisely identify the number, date and amount of the item, and payee. When I initiate an online stop payment request for a pre-authorized EFT, I must submit the stop payment request at least three (3) Business Days before the scheduled date of the EFT. When Bank receives a request to stop a pre-authorized EFT, Bank will block all future EFT payments to the designated payee-originator. The Bank will contact me if additional Affidavits are required to complete the stop pay request on a pre-authorized EFT. Stop payment orders placed will be effective for six months only from the first business date placed. I understand there will be a fee assessed by Bank in connection with this stop payment, (as stated in the Bank's Schedule of Service Charges & Fees) and further understand that if payment on the item is stopped, the payee or other holder of the item might still be able to recover from me the amount of the item, plus other damages. I agree to hold the Bank harmless for all expenses, cost and attorney's fees incurred by it as a result of refusing payment of said check. I further agree not to hold the Bank liable for payment contrary to this request if payment occurs through accident, inadvertence or oversight otherwise than through lack of good faith or failure to exercise due care on the Bank's part. By my signature on the Internet Banking Services Application, I hereby accept the terms and conditions of this Agreement.

Send and receive E-mail messages (to and from the Bank). Messages to the Bank will automatically be routed to a Bank e-mail box. Bank is not responsible for any delay in messages being retrieved. Urgent messages should be verified by a telephone call to Bank. User and I are responsible to periodically check for messages sent by the Bank. I agree to not send critical data (that is account numbers, Social Security numbers, or other sensitive data) via e-mail messages.

Initiate transfers between any accounts set up within Internet Banking with the exception of time accounts. Refer to Internet Banking System Setup/Transfer Limits for other transfer limits. I am limited on Money Market and Savings accounts to six (6) transfer or withdrawals per month or statement cycle by preauthorized or automatic withdrawal or by check, draft, or similar order to third parties. Transfers made via Internet Banking are

included as preauthorized or automatic transfers subject to these limitations. Any transfers in excess of these limits must be done in person at the Bank or be subject to account closure. I am not permitted to transfer more than the available balance from deposit accounts.

Section 3. Internet Banking System Setup/Transfer Limits

Bank agrees to set up my account information on Internet Banking as described in the Internet Banking Services Application.

Bank assumes no liability for changes or modifications to the account setup after initial installation of the Internet Banking Services.

I understand that Account Transfers received after Bank transfer cutoff time (6:00 p. m.) may not be processed until the following business day. If Bank does not make a transfer on time, or in the correct amount according to my instructions given in accordance with this Agreement, Bank will be liable for damages caused. However, there are some exceptions. Bank will not be liable, for instance, if: (1) through no fault of Bank, my account does not contain sufficient funds to make the transfer, (2) the payment or transfer would go over the credit limit on my overdraft line of credit, (3) the equipment, phone lines, or computer systems were not working properly or were temporarily unavailable, (4) circumstances beyond Bank's scope of control, such as fire or flood, prevented the payment or transfer, despite reasonable precautions that Bank has taken, (5) a court order or legal process prevents Bank from making a transfer or payment, (6) I have previously reported, or Bank has a reasonable basis for believing that unauthorized use of ID code and password, or designated account have occurred or may be occurring, (7) if I default under any agreement with Bank, or (8) if Bank or I terminate this Agreement.

I understand that Account Transfers to a loan account will be considered a scheduled payment and will affect the payment schedule of the loan account unless I designate the appropriate type of payment with the transfer. I can make unscheduled principal or interest payments by designating the appropriate type of payment with the transfer.

A confirmation number will be given at the time I process a transfer using the Internet Banking System. It is my responsibility to record this number, along with scheduled date and transaction amount in my checkbook register (or other permanent record), because this will help in resolving any problems that may occur.

I authorize the Bank to set up accounts listed on the Internet Banking Services Application on Internet Banking Services. I must notify Bank in writing if I wish Bank to set up additional accounts. I realize that additional accounts set up on Internet Banking may alter the monthly maintenance fee as described in the Fee Schedule below. I agree to pay all services fees as modified under the Fee Schedule.

Section 4. Bill Payment Terms and Conditions

Bill Payment Scheduling

The earliest possible Scheduled Payment Date for each Biller (typically four (4) or fewer Business Days from the current date) will be designated within the Service when I am scheduling the Bill Payment. Therefore, the Service will not permit me to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Biller.

When scheduling Bill Payments I must select a Scheduled Payment Date that is no later than the actual Due Date reflected on my Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, I must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period.

The Bill Payment Service Guarantees

Due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to my account. Except as expressly stated otherwise within this Agreement, Bank and/or its Service Providers will bear the responsibility for any late payment related charges up to \$50.00 should a Bill Payment post after its Due Date as long as the payment was scheduled in accordance with the guidelines described under "Bill Payment Scheduling" in this Agreement.

Payment Authorization and Payment Remittance

By providing the Service with names and account information of Billers to whom I wish to direct payments, I authorize Bank to follow the Payment Instructions received through the Service. In order to process payments more efficiently and effectively, the Banks Service Provider may edit or alter payment data or data formats in accordance with Biller directives.

When the Service receives a Payment Instruction, I authorize Banks Bill Payment Service Provider to debit my Payment Account and remit funds on my behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by me. I also authorize Banks Service Provider to credit my Payment Account for payments returned to the Service by the United States Postal Service or Biller, or payments remitted to me on behalf of another Authorized User of the Service.

Payment Methods

Banks Bill Payment Service Provider reserves the right to select the method in which to remit funds on my behalf to my Biller. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a Laser Draft Payment.

Payment Cancellation Requests

I may cancel or edit any Scheduled Payment (if processing has not begun) by following the directions within the Service. There is no charge for canceling or editing a Scheduled Payment. However, once the Service has begun processing a Scheduled Payment it cannot be cancelled or edited, therefore a stop payment request must be submitted, as described within this Agreement.

Bill Payment Stop Payment Requests

I may cancel or edit a Scheduled Payment up until the time that payment processing begins. There is no charge for canceling or editing a Scheduled Payment. However, once the Service has begun processing a payment, it cannot be cancelled or edited and a stop payment request must be submitted.

Bank must have a reasonable opportunity to act upon any stop payment request made after payment processing has begun. The ability of Bank and its Service Provider to process a stop payment on a Bill Payment request that is already in process will depend on the payment method and whether or not the payment has cleared.

If I need to place a stop payment request on any Bill Payment that has already been processed, I must contact my local banking center immediately.

Bank will make every effort to accommodate my request but Bank will have no liability for failing to do so unless the request is subject to the provisions contained in my depository account agreement or applicable law as it pertains to pre-authorized EFTs.

Bank may also require me to present my stop payment request in writing within fourteen (14) days from the date the request is made. The charge for each stop payment request will be the current charge for such service as set forth in our applicable fee schedule.

If Bank completes a stop payment request on my behalf, Bill Payment privileges may be suspended pending recovery of funds by our Service Provider(s).

Returned Payments

In using the Service, I understand that Billers and/or the United States Postal Service may return Bill Payments to Banks Service Provider for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. Banks Service Provider will use its best efforts to research and correct the returned payment and return it to my Biller, or void the payment and credit my Payment Account. I may receive notification from the Service of returned payments.

Bill Payment Information Authorization

Requests for Bill Payment privileges may not be fulfilled if Bank and/or its Service Provider(s) cannot verify my identity and withdrawal authority over the specified accounts. Through my enrollment in the Bill Payment Service; I agree that Bank and its Service Providers reserve the right to request a review of my credit rating at Banks own expense through an authorized bureau. In addition, I agree that Bank and its Service Providers reserve the right to obtain financial information regarding my account from a Biller or my Financial Institution (for example, to resolve payment posting problems or for verification).

Prohibited Payments

Payments to Billers outside of the United States or its territories are prohibited through the Service. Payments to Internet gambling sites are also prohibited through the Service.

Exception Payments

Tax payments and court ordered payments may be scheduled through the Service; however, such payments are discouraged and are scheduled at my own risk. In no event shall Bank or its Service Provider(s) be liable for any claims or damages resulting from my scheduling of these types of payments. The Bill Payment Service Guarantee as it applies to any late payment related charges is void when these types of payments are scheduled and/or processed by the Service. Research of exception payments shall be limited to proof of payment and/or unauthorized payments only. All other research and resolution for any misapplied, mis-posted or misdirected exception payments will be my sole responsibility.

Biller Limitation

Bank reserves the right to refuse to pay any Biller to whom I may direct a payment. The Service will notify me promptly if it decides to refuse to pay a Biller designated by me. This notification is not required if I attempt to make a prohibited payment or an exception payment under this Agreement.

Failed Transactions

In using the Service, I am requesting Bank to make payments for me from my Payment Account. If Bank is unable to complete the transaction for any reason associated with my Payment Account (for example, there are insufficient funds in my Payment Account to cover the transaction), the transaction will not be completed. In some instances, I will receive a return notice from the Service. In such case, I agree that:

1. I will reimburse Banks Service Provider immediately upon demand the transaction amount that has been returned;
2. For any amount not reimbursed to the Service Provider within fifteen (15) days of the initial notification, a late charge may be assessed each month against unpaid amounts equal to 1.5% or the legal maximum, whichever rate is lower;
3. I will reimburse Banks Service Provider for any fees, it may incur in attempting to collect the amount of the return from me; and
4. Banks Service Provider is authorized to report the facts concerning the return to any credit-reporting agency.

Bill Delivery and Presentment

This feature is for the presentment of electronic bills only and it is my sole responsibility to contact my Billers directly if I do not receive my statements. In addition, if I elect to activate one of the Bill Payment Service's electronic bill options, I also agree to the following:

(A) Information Provided to the Biller

Bank/Service are unable to update or change my personal or business information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes will need to be made by me; contact the Biller directly. Additionally, it is my responsibility to maintain all usernames and passwords for all electronic Biller sites. I also agree not to use someone else's information to gain unauthorized access to another person's or company's bill.

Banks Service Provider may, at the request of the Biller, provide to the Biller my e-mail address, Service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing I about Service and/or bill information.

(B) Activation

Upon activation of the electronic bill feature, our Service Provider may notify the Biller of my request to receive electronic billing information. The presentment of my first electronic bill may vary from Biller to Biller and may take up to sixty (60) days, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of my statement(s) is at the sole discretion of the Biller. While my electronic bill feature is being activated it is my responsibility to keep my accounts current. Each electronic Biller reserves the right to accept or deny my request to receive electronic bills.

(C) Notification

Banks Bill Payment Service Provider will use its best efforts to present all of my electronic bills promptly. In addition to notification within the Service, our Service Provider may send an e-mail notification to the e-mail address listed for my account. It is my sole responsibility to ensure that this information is accurate. In the event I do not receive notification, it is my responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from Biller to Biller. I am responsible for ensuring timely payment of all bills.

(D) Cancellation of Electronic Bill Notification

The electronic Biller reserves the right to cancel the presentment of electronic bills at any time. I may also cancel electronic bill presentment at any time. The timeframe for cancellation of my electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days, depending on the billing cycle of each Biller. Our Bill Payment Service Provider will notify my electronic Biller(s) as to the change in status of my account and it is my sole responsibility to make arrangements for an alternative form of bill delivery. Bank/Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

(E) Non-Delivery of Electronic Bill(s)

I agree to hold harmless, Bank and its Service Providers should the Biller fail to deliver my statement(s). I am responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.

(F) Accuracy and Dispute of Electronic Bill

Neither Bank, nor its Service Providers are responsible for the accuracy of my electronic bill(s). Bank and its Service Providers are only responsible for presenting the information received from the Biller. Any discrepancies

or disputes regarding the accuracy of my electronic bill summary or detail must be addressed with the Biller directly.

This Agreement does not alter my liability or obligations that currently exist between me and my Billers.

Section 5. Acknowledgements, Responsibilities, and Liabilities of Depositor/User

Hardware/Software Requirements

User and I are responsible for obtaining, maintaining, and updating the necessary hardware and related equipment needed to utilize the Internet Banking Services. As of the date of this Agreement, the necessary equipment includes: Personal Computer with Internet access and web browser. To ensure my ability to view various features of Bank's web site, I understand it is my responsibility to update my web browser periodically so that the entire web site may be viewed.

Bank reserves the right to eliminate or change any of the function capabilities at any time without prior notice.

User Manuals/On-Line Help

I can access the user's manual through the on-line help screen. I agree not to copy or otherwise duplicate the User's Manual or updates.

Unauthorized Use of Web Site/User-Manuals/On-Line Help

I have no right, title, or interest to the Internet Banking System or copies of it. I will not make, or permit anyone else to make copies of the Internet Banking System and User's Manual. I agree to notify Bank promptly and in writing of any circumstances of which I have knowledge relating to any possession, use, or use of any portion of the Internet Banking Services and the User's Manual by an unauthorized person.

Set-Up and Password Security

Bank agrees to conduct initial training for me to set up the initial security provisions for the Internet Banking Services. Bank is not responsible for my actions or negligence in setting up my security access to Internet Banking Services and assigning User IDs to such appropriate users. User and I will not make any passwords or ID codes available to any non-authorized persons. User and I will not disclose any information pertaining to its use or the components of the Internet Banking Services.

Bank and I agree that the password and ID code security procedures provided under the Internet Banking Services are reasonable and the parties further agree that transactions conducted under the password and ID code shall be deemed to be authentic payment orders binding on me.

Liability & Unauthorized Use

I will notify Bank immediately if I believe an unauthorized person knows my ID code and password, lost or stolen. Telephoning is the best way of keeping my possible losses down. I acknowledge that I could lose all the money in my account (plus my maximum overdraft line of credit). If I tell Bank within 2 business days, I can lose no more than \$50 if someone used my ID code and password without my permission. If I believe my ID code and password has become known to an unauthorized person, lost or stolen, and I tell Bank within 2 business days after I learn of the loss or theft, I can lose no more than \$50 if someone used my ID code and password without my permission. If I do not tell Bank within 2 business days after I learn of the loss or theft of my ID code and password, and Bank can prove Bank could have stopped someone from using my ID code and password without my permission if I had told Bank, I could lose as much as \$500. Also, if my statement shows transfers that I did not make, I will tell Bank at once. If I do not tell Bank within 60 days after the statement was mailed to me, I may not get back any money I lost after the 60 days if Bank can prove that Bank could have stopped someone from taking the money if I had told Bank in time. If a good reason (such as a long trip or a hospital stay) kept me from telling Bank, Bank will extend the time periods. If I believe my ID code and password have become lost or stolen or that someone has transferred or may transfer money from my account without my permission, I will call Bank Internet Customer Support at (713) 693-9300, or write to Prosperity Bank, ATTN: Internet Bank Customer Support, P.O. Drawer G, El Campo, TX 77437.

Errors Resolution

In case of errors or questions about my electronic transfers, I will call Bank Internet Customer Support at (713) 693-9300, or write to Prosperity Bank, ATTN: Internet Bank Customer Support, P.O. Drawer G, El Campo, TX 77437, as soon as I can, if I think my statement or receipt is wrong or if I need more information about a transfer listed on the statement or receipt. Bank must hear from me no later than 60 days after Bank sent the first statement on which the problem or error appeared. I must: (1) tell Bank my name and account number, (2) describe the error or the transfer I am unsure about, and explain as clearly as I can why I believe it is an error or why I need more information (3) tell Bank the dollar amount of the suspected error. If I tell Bank orally, Bank may require that I send Bank my complaint or question in writing within 10 business days. Bank will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after Bank hears from me and will correct any error promptly. If Bank needs more time, however, Bank may take

up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate my complaint or question. If Bank decides to do this, Bank will credit my account within 10 business days (20 business days if the transfer involved a new account) for the amount I think is in error, so that I will have the use of the money during the time it takes Bank to complete its investigation. If Bank asks me to put my complaint or question in writing and Bank does not receive it within 10 business days, Bank may not credit my account. An account is considered a new account for 30 days after the first deposit is made, if I am a new customer. Bank will tell me the results within three business days after completing its investigation. If Bank decides that there was no error, Bank will send me a written explanation. I may ask for copies of the documents that Bank used in its investigation.

I have received and understand all signature card rules and regulations and all agreements and disclosures connected with opening of Accounts and acknowledge that this Agreement is in addition to any of these agreements and disclosures.

I will continue to receive regular account statements that describe all transactions for the Accounts including the transactions that I have initiated through the Internet Banking Services. I am responsible to promptly review all statements and report in writing any irregularities to the Bank at once. For all electronic transactions governed by Reg. E, errors or questions about my electronic transaction must be reported to the Bank no later than sixty (60) days after the Bank sent the first statement on which the problem or error appeared.

Fees & Discontinuance of Service

I acknowledge that fees for the Internet Banking Services will be paid monthly as disclosed on the Bank Internet Banking Services Fee Schedule. These fees are in addition to any fees and service charges currently being paid. Any pricing or policy changes adopted by Bank in the future will constitute modifications or addends to the Agreement but will not nullify it. I acknowledge that I may be asked to designate a payment account for selected services such as Bill Pay and authorize Bank to charge my account or any other account for the fees.

This Agreement shall continue until Bank receives written notification of my revocation or should my Internet Banking or Bill Payment Services Application have no activity for a 90-day period, my ability to use this service may be automatically terminated. The Bank also reserves the right to terminate my Internet Banking Services Application, in whole or in part, at any time for any reason. Termination by either party does not relieve me of my liability for transactions or responsibilities for payment of all fees incurred prior to termination. I may terminate the Internet Banking Service by writing to Prosperity Bank, ATTN: Internet Bank Customer Support, P.O. Drawer G, El Campo, TX 77437

Section 6. Acknowledgments, Responsibilities, and Liabilities of Bank

Bank will provide training on use of Internet Banking.

The Bank has entered into a licensing agreement with FundsXpress Financial Network, Inc. ("FundsXpress"), for the delivery of the Internet Banking Services. The Internet Banking Services shall be considered part of FundsXpress, and all rights, title, and interest shall remain with them.

Except for acts of gross negligence or willful breach of duties by Bank, Bank will not be liable to me for any matters related to this Agreement, including without limitation, lost profits or consequential, special, or punitive damages, inaccuracy, or delays in transmission of information.

Bank makes no warranties or representations with respect to the Internet Banking Services software, express or implied, including but not limited to, warranties of merchantability or fitness for a particular purpose.

Section 7. Joint Acknowledge and Representations

This agreement is governed by and will be interpreted under the laws of the State of Texas.

This agreement incorporates by reference all information on my Account Application, which I represent as true and complete in all respects.

I have read and understand this Agreement and have had opportunity to review this Agreement with an advisor of my choice if so desired.

Upon occurrence of any overdraft incurred in the Accounts, Bank shall have the right, in Bank's sole discretion to: (i) refuse payment of any outstanding and unpaid check drawn on any Account listed on the Internet Banking Application, and (ii) withhold from processing any transaction generated on the Account (including Internet Banking Services generated) until sufficient collected funds to cover such transaction have been credited to the Accounts. Each party represents and warrants to the other that it is authorized to enter into this Agreement.

If at any time any section of this Agreement is found to be invalid, that does not make the remaining sections or terms invalid.

Section 8. Fee Schedule

Prosperity Net Bank is a free service for all Prosperity Bank account holders. Additional fees apply for Bill Pay, Wire Transfer Services and ACH Origination. See below for additional services and fees.

- **Personal Checking, Budget Checking, Prosperity Prime Checking, Checking with Interest, Royal & Royal Gold (including Royal 55 and Royal 55 Plus) Account Holders:**
 - Bill Pay Fee - *FREE Service.
 - *The qualifying account must be on a "charge" service charge status, otherwise fees as disclosed under "All Other Account Holders" will apply.
- **All Other Checking Account Holders:**
 - Bill Pay Fee - \$4.95 each month. First 20 transactions per month, FREE, \$0.34 for each transaction over 20 per month.
- **Small Business Package - Internet Wire Services & Bill Pay (more information)**
 - \$5.95 per month
 - Internet Wire Transfer Requests, \$10.00 each
 - Bill Payments, \$0.35 each
- **Basic Business Package - Internet Wire Services (more information)**
 - \$19.95 per month
 - Internet Wire Transfer Requests \$5.00 each
- **Premium Business Package - Internet Wire Services & ACH Origination (more information)**
 - \$59.95 per month
 - ACH Items Originated \$0.05 each
 - Internet Wire Transfer Requests \$5.00 each

E-Statement Terms and Condition Disclosure/Agreement

The following provisions constitute an amendment to the Account Agreement Terms and Conditions (the "Terms") of Prosperity Bank (hereinafter referred to as "we", "our", "us" and "Bank") concerning electronic delivery of statements and notices concerning accounts, including time deposits, maintained by any individual, corporation, partnership, association, or other legal entity (herein referred to as "you", "yours", and "Depositor"). To the extent there is any conflict between any statement made in this Disclosure and the Terms, this Disclosure shall control.

Election And Authorization For Electronic Delivery

By signing the E-Statement Application, you elect and authorize us, at your discretion, to electronically deliver your account statement(s) and notices that we are required to provide to you under applicable Federal and State statutes and their implementing regulations, as amended from time to time, including, but not limited to the following:

Truth in Lending Act
Truth in Savings Act
Fair Credit Reporting Act
Electronic Funds Transfer Act
Home Mortgage Disclosure Act
Fair Housing Act
Equal Credit Opportunity Act
Consumer Leasing Act
National Bank Act
Texas Banking Act
Gramm-Leach-Bliley Act

Other Federal and State statutes may be enacted or amended in the future to provide for electronic delivery of account statements and notices. Your signature on the E-Statement Application also authorizes us, at your sole discretion, to provide electronic delivery of such statements and notices pursuant to these statutes after they become effective. If there is more than one Depositor that is a party to the account, notice to any one Depositor will be effective for all. To revoke this consent you must either call your local banking center or write the Bank at 1301 North Mechanic, P. O. Box G, El Campo, TX 77437.

E-Mail Address

We will send your periodic account statement notification(s) to you via e-mail to the last known e-mail address provided by you. You agree to notify us promptly in writing (by letter sent via U. S. Mail) of any changes to your e-mail address. For your protection and for security purposes, we will not accept any change of e-mail address notices via e-mail or telephone. If you have not notified us in writing of any changes to your e-mail address, you agree that your failure to provide us with a good e-mail address is the lack of ordinary care on your part. If we become aware that you are not receiving your E-Statement(s) and notices, we will send your E-Statement(s) and notices to you via U.S. Mail to your last address known to us.

If you have a "multiple-party account" as defined in the Terms, your e-mail address may be changed using the procedure described above by any authorized party to your account. The Bank shall have no obligation or liability to any of the parties to a multiple-party account if the e-mail address is changed using the procedures set forth above.

E-Statements Delivery Date and Image Copies

Your E-Statement delivery date will be revised to the 4th, 11th, 18th, 25th, or end-of-month depending on your account type. You can obtain images of items within your e-statement, which approximately 1 year's worth of images. Should you need a copy of an item greater than 1 year, refer to the "Request Image Copies and Fee" section of this Agreement.

Prompt Review of E-Statements

The E-Statement date will be considered the date that the e-mail notification is sent (the "E-mail Date"). You must review your E-Statement and any accompanying items (within the applicable time periods specified in the Terms) and notify us of any error, unauthorized signatures, lack of signature, alteration or other irregularities. If you allow someone other than you to review your statements, you must still review the statement for any error, unauthorized signatures, lack of signature, alteration or other irregularities because you will be responsible for the wrongful acts of your employees and agents. Any applicable time periods within which you must notify us of any errors on your account statement(s) shall begin on the E-mail Date regardless of when you received and/or reviewed the E-Statement.

Liabilities

Notwithstanding any provision to the contrary contained in this agreement, we shall be responsible only for performing the E-Statement Services as expressly provided for in this agreement.

We shall be liable only for material losses, which are the direct result of our own negligence or intentional misconduct in performing these E-Statement Services. We shall have no liability for failure to perform any E-Statement Services or for any disruption or delay in performing E-Statement Services in the event such failure, disruption or delay is due to circumstances beyond our reasonable control, including but not limited to, failure or disruption of electric power, computer equipment, telecommunications systems, your ISP, or weather conditions.

We shall have no liability for any consequential, special, punitive damages or indirect loss under any circumstances.

Except to the extent that we are liable under this agreement, you agree to indemnify and hold us and our directors, officers, employees and agents harmless from all claims, demands, judgments, and performance of these E-Statement Services. You agree that this indemnification shall survive the termination of this agreement.

Disclaimer of Warranty

Bank makes no warranties or representations with respect to the software program used to access the E-Statement Services, express or implied, including but not limited to, warranties of merchantability or fitness for a particular purpose.

Discontinuance of Service

This Agreement shall remain in full force and effect until it's terminated by either party upon thirty (30) days' prior written notification to the other party. You may terminate the E-Statement Service by either calling your local banking center or writing to Prosperity Bank, ATTN: Customer Support at 1301 North Mechanic, P. O. Box 6, El Campo, TX 77437.

Joint Acknowledge and Representations

This agreement is governed by and will be interpreted under the laws of the State of Texas. This agreement incorporates by reference all information on your Account Application, which you represent as true and complete in all respects. You have read and understand this Agreement and have had opportunity to review this Agreement with an advisor of your choice if so desired. If at any time any section of this Agreement is found to be invalid, that does not make the remaining sections or terms invalid.

Request Image Copies and Fees

Bank will provide at no charge two (2) photocopies per statement cycle period upon request from you.

- Additional photocopies of items if you provide payment date and amount of item\$2.00
- Additional photocopies of items if you do not provide payment date and amount of item\$4.00



PROSPERITY BANK™

PREAUTHORIZED TRANSFER OF ELECTRONIC DEBITS AND/OR CREDITS AGREEMENT

This Agreement is entered into this _____ day of _____, 20__ by and between _____ (hereinafter called the (COMPANY) and Prosperity Bank, P O Drawer G, El Campo, Texas 77437(hereinafter called the Bank):

WITNESSETH:

WHEREAS, the Company is a _____ authorized to do business in the State of Texas; and

WHEREAS, the Company has requested the Bank to permit it to initiate or arrange for the initiation of electronic debit and/or credit entries to be processed by and through the Bank; and

WHEREAS, the Bank is willing to accommodate the Company by processing for ultimate delivery to other participant banks and financial institutions the electronic entries by means of its correspondent banks, the Southwestern Automated Clearing House Association (SWACHA) and/or the National Automated Clearing House Association (NACHA) to the accounts of the Company's employees or customers (hereinafter together called the "Customer(s)", unless otherwise indicated, at such participant financial institution; and

WHEREAS, the Bank is willing to process and transmit the Company's electronic debit and/or credit entries subject to the following terms and conditions:

NOW, THEREFORE, in consideration of the mutual premises contained herein, the Company and the Bank agree as follows:

1. The Company will prepare and submit all electronic entries to the Bank in accordance with the agreed upon specifications and schedules. The company will be responsible for the correctness, both as to content and form, of all information submitted to the Bank. If any information is not readable, out of balance, or unprocessable, it is the responsibility of the Company to correct and resubmit the information to the Bank.
2. Except as otherwise provided in paragraphs (3) and (4), the Bank will transmit and process the electronic entries initiated by the Company in accordance with the rules of SWACHA and/or NACHA as are currently in effect and as amended from time to time (the "Rules"). The Company agrees to be bound by and held subject to the Rules as well as the provisions contained in the Agreement. A copy of the NACHA Rules will be given to the Company upon ACH/Cash Management setup. The Bank agrees to inform the Company of any updates to the Rules.
3. With respect to "on-us" electronic debit and/or credit entries, the relationship between the Bank and Company will be governed by the Rules and, to the extent applicable, the Bank agrees to assume all the rights and obligations of both an "Originating Bank" and a "Receiving Bank", and the Company agrees to assume the rights and obligations of a "Company", as all such terms are defined within the Rules. The Company agrees to make the same warranties to the Bank, as the Bank would be required to make pursuant to the Rules were the Bank an "Originating Bank".
4. In the event that the operation rules of a local or regional automated clearing house, or the arrangements between the Bank and a correspondent bank, are more restrictive than, or are at variance with, the Rules, the Company agrees to be bound by such more restrictive or varying rules.
5. The Company will maintain a demand deposit account (hereinafter called the "Company Account") with the Bank to which the Bank will credit amounts received in collection of electronic debit entries. All such credits are provisional and the Bank may charge the Company Account, as well as any other account of the

Company with the Bank, for the amount of a returned or rejected electronic debit entry. Company authorizes the Bank to debit the Company Account on the day the returned or rejected electronic debit entry is received by the Bank or thereafter. Company warrants that it shall maintain a sufficient balance in the Company Account to cover returned or rejected electronic debit entries. Company will pay to Bank the amount of any returned or rejected electronic debit entry which for any reason cannot, in part or in whole, be debited against the Company Account. Bank may require Company to maintain a minimum balance sufficient to cover returned or rejected electronic entries.

6. The Bank is not obligated to process any electronic credit entry unless the Company Account contains a balance in collected funds sufficient to pay all electronic credit entries submitted by the Company. If the Bank should elect to process any electronic credit entry for which it has not received final settlement, the amount of the such entry, at the option of the Bank, shall therefore become immediately due and payable by the Company to the Bank, and the Bank shall have the right to charge the amount thereof to the Company Account or claim a refund from the Company.
7. The Company will compensate and agrees to pay the Bank for providing the services indicated herein in accordance with the fee schedule. These fees may be changed from time to time by the Bank upon written notice to the Company. The Bank may charge the Company Account, as well as any other account of the Company with the Bank, for any such charges of fees.
8. The Company will not initiate an electronic credit and/or debit entry with respect to any Customer until the Company has obtained the written authorization (hereinafter called the "Authorization") of such Customer to do so and, in the case of electronic debit entries, has complied with the further requirements of paragraph (11), hereunder. The Authorization shall be in form acceptable to the Bank. The Company will retain the original or a copy of the Authorization received by the Company as prescribed in the Rules. The Company, upon the Bank's request, will furnish the Bank with original or a copy of the Authorization. In addition, the Company agrees to notify the Bank at least 10 calendar days in advance of its initiation of an electronic debit entry or credit entry to the account of a customer for the first time. Such notice shall contain the information prescribed in the Rules. The Company agrees to strictly comply with the provisions of the paragraph, and the Company understands that the Bank will be relying upon such promise in order that the Bank may comply with federal and state laws and regulations in respect of electronic funds transfers.
9. The Bank shall not generate advices of electronic debits and/or credits against accounts of Customers maintained with the Bank except to the extent it is required to do so. In the event that the Company initiates credit entries representing the payment of salary or wages to the accounts of its employees, the Company agrees to furnish each employee with a detailed statement of earnings no later than the day said employee's account is due to be credited by the Bank.
10. Should the Company wish to change the amount or date of billing of an electronic debit entry in respect of any Customer, it shall mail or deliver written notice to the Customer 10 days before such electronic debit entry; however, should the Company inform a Customer of his/her entries varying in amount, such Customer may elect to receive notice only when an electronic debit entry does not fall within a specified range of amounts (which shall in all respects be reasonable) or, alternatively, only when an electronic debit differs from the most recent amount by more than an agreed upon amount. The Company agrees to comply strictly with the provisions of this paragraph, and the Company understands that the Bank will be relying upon such promise in order that the Bank may comply with federal and state laws and regulations in respect of electronic funds transfers.
11. The Company represents and warrants to the Bank that, in cases of electronic debit entries:
 - o each electronic entry initiated by the Company is for a sum due and owing the Company directly or as an authorized agent.
 - o the Company has received a signed written agreement from the Customer, with a copy thereof given to the Customer, authorizing the Company to make prearranged debits from the Customer's account (hereinafter, as above, called the "Authorization");
 - o each electronic entry initiated by the Company is in accordance with a valid Authorization held by the Company, and the Company has complied with the Rules with respect to same, including retention of the original or a copy of each Authorization;
 - o the Company agrees that it is solely responsible for and is complying with the laws of the United States and regulations governing the initiation of preauthorized electronic transactions, including but not limited to the Electronic Fund Transfer Act of 1978 and Federal Reserve Regulation E, in particular sections 205.10 (b) and (d), as currently in effect and as amended; and

- o at the time an electronic entry is processed by the Bank and any receiving banks, the Authorization has not been terminated with respect to such electronic entry; provided, however, that this letter warranty shall not apply if, at the time of processing the electronic entry, the receiving bank has actual knowledge of a termination of the Authorization.
12. The Company hereby agrees to indemnify and hold harmless the Bank against and in respect of any claim, demand, proceedings, losses, liabilities, expenses (including attorney's fees), and damages, including consequential, special, and punitive damages, to comply with: (a) this agreement, including any breach of its warranties hereunder; (b) the Rules , and (c) any other agreement(s) between the Company and Customer.
 13. The Bank may transmit the electronic credit and/or debit by electronic communication or by such means the Bank deems appropriate to convey the Company entries. Each entry or file shall be delivered to the Bank not later than 48 hours prior to the ACH receiving deadline of 10:00 A.M. The Bank shall not be liable for interruption of communication facilities, errors in transmission, suspension in payments by another financial institution, war, emergency conditions, or any similar or dissimilar causes beyond the reasonable control of the Bank.
 14. The obligations and responsibilities of the Bank shall be limited to those specified in this Agreement or Amendments thereof. The Bank will not be obligated or responsible with respect to any act or failure to act by a correspondent bank, SWACHA, NACHA, a regional or local automated clearing house, or any other third party. In no event shall the Bank be liable for any indirect, special, or consequential damages, even if the Bank is advised of the possibility of such damages,
 15. Either party hereto shall have the right to terminate this Agreement, without cause, by giving the other party at least 10 days prior written notice: provided, however, that this Agreement shall continue to be in full force and effect for all electronic entries initiated by the Company prior to the termination of the Agreement. If the party to whom such notice is to be given agrees in writing, the notice period may be less than 10 days. Notwithstanding the foregoing , in the event of the Company's insolvency, receivership, or voluntary or involuntary bankruptcy, or the institution of proceedings therefor or any assignment for the benefit of the Company's creditors, or if in the opinion of the Bank the Company's financial condition has become impaired, then the Bank, at its option, may terminate this Agreement immediately, without notice.
 16. This Agreement contains the entire understanding of the parties and may not be changed orally. The terms and provisions of this Agreement shall inure to the benefit of and binding upon the Company, the Bank, and their respective successors and assigns; provided, however, that the Company may not assign its rights hereunder without prior written consent of the Banks.
 17. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Prosperity Bank _____ Company Name _____

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____



ACH/Wire Limits Agreement

Company Name: _____ TIN: _____

Focus User E-Mail Address _____

Maximum Daily Limits

ACH Debit Limit (Funds subtracted from Third Party accounts) \$ _____
 (if applicable)

ACH Credit Limit (Funds added to Third Party accounts) \$ _____
 (if applicable)

Wire Limit \$ _____ (if applicable)

Wire Approvals:

The Banking Center Manager/President must approve the request, by signing below. Once approved, then forward a copy of this form, along with copies of the following documents:

- ✓ Wire Agreement
- ✓ Wire Resolution

to the Internet Banking Department at Kiest. Originals go to the Wire Department in Sugar Land and copies should be maintained at the Banking Center.

Request Approved: Check ____ YES ____ NO.

If approving, please indicate by signing below:

 Banking Center Manager/ President

ACH Approvals:

Scan and save this form, along with the following documents:

- ✓ ACH Origination/Cash Management Application
- ✓ ACH Agreement
- ✓ Company's Tax Return or Balance Sheet, Income and Cash Flow Statement

to the Loans>Loan Approval Folder for your area on the share drive. Next send an email to a Senior Lender in your area alerting them your package is in the folder and needs approval.

If approved, then forward a copy of all documents to the Internet Banking Department at Kiest. Originals go to the ACH Department in Sugar Land and a copy should be maintained at the banking center.

Bkg Ctr #: _____ Bank Assoc. (Requestor's) Name: _____

Senior Lender initials of approval:

Approval (Check) ____ YES ____ NO. Initial _____ Date _____



PROSPERITY BANKSM

Positive Pay Agreement

This agreement is entered into as of the _____ day of _____ between _____

("Company"), a _____ corporation, with its principal offices located at _____ and Prosperity Bank ("Bank"), with its principal offices located at 1301 N Mechanic, El Campo, TX 77437.

The Bank agrees to provide Positive Pay services to the Company for the purpose of increasing the chance of identifying fraudulent or unauthorized checks drawn on the following accounts:

<u>Account Number</u>	<u>Account Styling</u>	<u>Starting Serial Number</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

The Company agrees to deliver or transmit the serial number and amount of each check by account number to the Bank in the format specified by the Bank. Data received by 3:00 p.m. each banking day will be used to verify any check posting to the account that day except for items cashed by a teller at the Bank. The teller-cashed item will be posted to the Company's account. Should the Company fail to routinely update its issued check file, the Bank may terminate this service with written notice.

If the Company is not using The Bank's Internet Banking Positive Pay services, the Bank will provide an exception listing to the Company for review by 9:00 a.m. each banking day. Any exception items which the Company desires to be paid must be confirmed by fax to the Bank fax number _____ with the proper authorization by 11:00 a.m. the same banking day. If no response from the Company is received by the Bank by this time, all exception items will be paid as "approved" by the Company. The Bank does not check exceptions against previously cleared items.

If the Company is using The Bank's Internet Banking Positive Pay services, the Bank will provide exception items to the Company for review by 8:00 a.m. each banking day on the Internet Banking Positive Pay system. Any exception items which the Company desires to be returned must be processed as "not approved" through Internet banking by 11:00 a.m. the same banking day. If no response from the Company is received by the Bank by this time, all exception items will default as "approved" by the Company in Internet banking and will be paid. The Bank does not check exceptions against previously cleared items.

THE FOLLOWING COMPANY INDIVIDUALS ARE AUTHORIZED TO APPROVE ITEMS TO BE PAID.

<u>Specimen Signature</u>	<u>Typed or Printed Name</u>	<u>Designated Telephone No.</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Inquiries should be directed to the following bank contacts:

<u>Banking Center Contact Name</u>	<u>Telephone Number</u>
_____	_____
_____	_____



PROSPERITY BANKSM

An outstanding check database as of the last statement must first be disclosed for each account. The Company acknowledges that any stop payment issued on a check will supercede any Positive Pay instructions. The Bank prefers to obtain the checks issued data for the month previous to the start of this service to reduce rejects during the first month of service. The Bank requires three banking days to set up this service. Manual checks should be included on the Company's transmission to the Bank. Additions and deletions by telephone must be followed by a fax signed by the authorized signer(s) and are not effective until the next banking day.

The Bank's Teller Operations will make every reasonable effort to check the Positive Pay issued check file before paying a check, however, if the online file is unavailable for review, Bank tellers will continue to process items and not check the file.

The Bank will make every reasonable effort to check the Company's Positive Pay check file before paying an item on the above-mentioned checking account(s). Encoding errors, posting errors, etc. can cause an item to reject, which was intended by the Company to be paid. The Company agrees that the Bank is not liable for paying any items except in the case of fraud or collusion.

Both parties' obligations and responsibilities shall be limited to the exercise of good faith and ordinary care in performing the services to be provided under the terms of this agreement. Both parties agree to use good faith and expedite the corrections of any errors. In no event will the Bank be liable for consequential damages.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written:

Company:

Prosperity Bank:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Frequently Asked Questions

1. What is the fee schedule for Remote Deposit Capture?

Fees:

Implementation fee	\$200.00 setup for the first workstation
Additional Workstations	\$100.00 setup per workstation
Monthly maintenance fee	\$50.00 per workstation with scanner
Image capture	\$0.10 per image presented
Plus cost of Scanner	

2. Where do we get scanners from and what is the cost?

While there are many certified scanners with the product, below are a few options:

Digital TellerScan CheXpress CX30	\$345.00
Features – Single Feed for lower volume applications with printer	
Digital TellerScan 240-50 IJ	\$635.00
Features – Batch scanner with a 100 capacity hopper feeding at a rate of 50 documents per minute with printer	
Digital TellerScan 240-75 IJ	\$740.00
Features – Batch scanner with a 100 capacity hopper with ability to feed hopper while scanning at a rate of 75 documents per minute with printer	
Digital TellerScan 240-100 IJ	\$945.00
Features – Batch scanner with a 100 capacity hopper with ability to feed hopper while scanning at a rate of 100 documents per minute with printer	

Note: All prices subject to change without notice.

** The Banking Center can order via the Sendpoint Merchant Capture Request Form. This process will have the bank billed for the scanner and once the invoice is received, the Banking Center will collect the funds from the customer either by check or a debit to the customer’s account.

3. Are there any additional set up fee(s) or monthly base fee(s) for each user?

There is not a per user fee. We are charged per scanner setup on the system and the number of items processed.

4. Can we terminate without notice at any time?

Per our contract this is covered under item #16 where it states the bank may terminate this process at any time. The customer should give 30 days written notice before they terminate.

5. What is the cutoff time to receive same day credit?

6:00 pm.



6. Does the customer have to be on internet banking or cash management?

No, the customer does not have to be an internet banking customer or on the cash management system.

7. How does Regulation CC apply?

Normal Regulation CC rules can apply following procedures but you must mail or deliver the notice to the customer not later than the first business day after the bank day on which the deposit is made. Therefore, this would imply that if you are reviewing transaction sets the first business day after the deposit the notice must go out on that day.

8. What is an IRD, Image Replacement Document or a substitute check?

These terms all mean that a paper reproduction of an original check that contains an image of the front and back of the original check, is suitable for automated processing in the same manner as the original check and meets other technical requirements set out in the Check Clearing for the 21st Century Act, 12 USC §§ 5001-5018 and the regulations relating to the Act.

9. How does the customer get the software for Remote Capture?

The customer will get the software when Metavante/FIS walks the customer through the installation process.

10. Can the customer be a 'dba' account?

Yes, the risk analysis portion of the process will govern the customer's viability of the product.

11. How long does it take to get a customer setup on the program?

The average setup time should be between two and three weeks. It depends on the time it takes to complete the paperwork.

12. Who does the customer contact for issues?

The customer should contact their local Banking Center.



PROSPERITY BANK[®]

Lockbox Agreement

This Lockbox Agreement (“Agreement”) is made as of the _____ day of _____, by and between Prosperity Bank, a Texas state banking association with its principal place of business located at 1301 North Mechanic, El Campo, Wharton County, Texas (“Bank”) and _____, a [type of entity:] _____, with its principal place of business located at _____ (County) _____ (“Customer”) to evidence their agreement as follows is consideration of the mutual covenants and agreements contained herein:

1. Customer is a commercial business entity duly organized and existing under the laws of the State of _____, authorized to do business in Texas as a (type entity:) _____. Customer shall maintain a demand deposit account as shown on the Lockbox Processing Instructions attached hereto as Exhibit “A” and made a part hereof (“Instructions”) at Bank (“Account”) during the term of this Agreement, and shall execute all instruments required by Bank in connection with maintenance of such Account (“Depository Agreement”), with the terms of such agreement to be superseded by this Agreement solely to the extent of any material conflict with the terms hereof. Customer shall pay all fees required by Bank in connection with the Account as and when due pursuant to the Depository Agreements.

2. Customer hereby instructs Bank to cause a post office box in Bank’s name to be opened on Customer’s behalf in the City of Houston, Texas (“Box”). Customer shall be responsible for all fees related to the Box, and hereby authorizes Bank to cause such fees to be paid when due by debit against the Account as and when deemed necessary by Bank.

3. Customer shall instruct third parties to make remittance of amounts owed by such third parties to Customer in connection with Customer’s business by forwarding of instruments of remittance (including checks, drafts, money orders or other orders for the payment of money) (herein, “Instruments”) to Customer at the Box. Customer shall instruct that remittances **not be made** by cash but only check, money order, or cashier’s check. Customer shall provide to such third parties for such remittance “business reply” envelopes imprinted with Customer’s name and the address of the Box as addressee, and shall direct that such envelopes be used for the making of payments to Customer. Customer agrees to obtain approval of Bank as to the form of business reply envelopes, and that Bank shall have the right to return to sender any non-approved envelopes received in the Box.

4. As agent for Customer with respect to the Box, Bank shall have a key to the Box, and shall have unrestricted and exclusive access to all mail received in the Box.

5. Each day when the Bank is open for regular, full service operation (“Business Day”), at or before the “Access Time” shown on the Instructions, Bank shall cause a Bank agent or employee to collect the Mail then in the Box and deliver the Mail to Bank. Bank shall open each envelope for Mail, remove the contents thereof (“Contents”) and process same as provided herein. Bank shall inspect the Contents, and identify which of the Instruments are acceptable for deposit into the Account. Bank is authorized to deposit all Instruments received into the Account regardless of the designated payee (i.e., even if payee is designated as someone other than Customer of Bank), but Bank shall never be required to accept an Instrument if the payee is not properly designated. An Instrument shall be “acceptable for deposit” for purposes hereof if Bank determines, in its sole discretion, that it does not bear any of the unacceptable criteria listed in Exhibit “A” Section V. and meets standard industry requirements for an acceptable deposit. However, Bank shall have the right to elect not to deposit the Instrument on that Business Day and refer the issue to Customer’s personnel for review and instructions regarding disposition.

6. All Instruments deemed by Bank to be acceptable for deposit (“Acceptable Instruments”) received by the Bank pursuant hereto shall be endorsed “FOR DEPOSIT ONLY- To the account of the within named Payee all rights reserved without prejudice subject to final determination Prosperity Bank – Lockbox”, and forwarded to the Bank’s Check Processing Department for deposit into the Account, subject to and in accordance with the Depository Agreements, applicable law and this Agreement. Bank shall report such deposits to Customer in the manner selected by Customer as set forth in the Instructions. All documents and correspondence which were enclosed in the envelope with an Acceptable Instrument shall be forwarded to Customer at the address set forth in the Instructions. Bank shall have no liability for cash received by mail or for any delay or other consequence arising due to such forwarding of documents and correspondence.

7. All Instruments which are not deemed by Bank to be Acceptable Instruments and all money in currency other than United States of America legal tender (“Unacceptable Instruments”) shall not be deposited into the Account, but shall be forwarded by Bank to Customer at the address shown in the Instructions, together with all correspondence and documents which were enclosed with such Unacceptable Instruments, in the manner which is customary for Bank, unless otherwise instructed in advance in writing by Customer. Customer shall pay (or promptly reimburse Bank for) all charges, fees, and costs associated therewith. Bank shall not be liable for any delays that may arise in connection with forwarding as provided herein.

8. Customer shall pay Bank, in good funds, immediately upon receipt of invoice from Bank, (a) the fees for the Bank’s services hereunder in accordance with the fees schedule attached hereto as Exhibit “B” and made a part hereof, and (b) such other amounts required to be paid or reimbursed by Customer in this Agreement. Customer agrees that, upon Bank’s request, Customer shall pay directly all costs and expenses in connection with the services provided under this Agreement incurred by Bank to any third-party provider, and also agrees that Bank may pay same for Customer, in which event Customer shall, promptly upon Bank’s request, reimburse Bank for same. Except as otherwise expressly provided herein, in the event any amounts owed by Customer to Bank under this Agreement remain unpaid thirty (30) days after the date of Bank’s invoice, Bank

shall thereupon have the right to reimburse and/or pay itself such amounts by debit of the Account or of any other account of Customer with Bank.

9. In the event an Instrument deposited into the Account is returned unpaid due to "Insufficient Funds" or "Uncollected Funds" or any other reason, Bank will attempt to clear such Instrument only one additional time. It is provided, however that if such redeposit is not practicable, including by reason that the first return was for reason of "Account Closed" or "Payment Stopped", or the like, such Instrument shall not be required to be presented for payment again ("represented" or "representation"). As to any Instrument which is not represented as aforesaid, or which is returned unpaid after the first representation thereof, Bank shall charge the Account for the amount of such Instrument, and the Bank's regular charge for such returned Instrument. The Bank's sole duty to Customer shall be to forward the Instrument, together with the debit advice, to Customer in the manner customary for Bank.

10. From time to time, upon not less than thirty (30) days' prior written notice to Customer, Bank may change any procedure or fees established in connection with this Agreement. Notwithstanding the foregoing, Bank may change any procedure without prior notice to Customer where an immediate change in terms or conditions is necessary to maintain or restore the security of the Account, or to comply with applicable law.

11. In the event of any disagreement hereunder, or if conflicting demands or notices are made upon Bank relating to this Agreement or any item or amount received by Bank hereunder, Bank may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder with regard to the subject matter of the dispute, so long as such dispute continues in the reasonable opinion of Bank; and in any such event, Bank shall not be or become liable to any person for its failure or refusal act, and Bank shall be entitled to continue so to refrain from acting until (a) the rights of all parties shall have been fully and finally adjudicated by a court of competent jurisdiction, or (b) all differences shall have been adjusted and all doubt resolved by written agreement signed by all of the interested persons satisfactory to Bank. The rights of Bank under this paragraph are cumulative of all other rights which it may have under this Agreement, by law, or otherwise.

12. CUSTOMER AGREES, TO INDEMNIFY AND HOLD HARMLESS BANK, ITS EMPLOYEES, AGENTS AND AFFILIATES FROM AND AGAINST ANY AND ALL LIABILITIES, CLAIMS, COSTS, EXPENSES, LOSSES AND DAMAGES OF ANY AND EVERY KIND (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS) ARISING OR RESULTING, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, FROM (A) THE ACTS OR OMISSIONS OF CUSTOMER, ITS EMPLOYEES, ITS AGENTS OR THIRD PARTIES, IN CONNECTION WITH THIS AGREEMENT OR THE DEPOSITS AND OTHER PROCESSING CONTEMPLATED HEREIN, OR (B) ANY NEGLIGENT ACT OR OMISSION OR BREACH BY BANK OF ITS OBLIGATIONS HEREUNDER EVEN IF THE CLAIMS, DAMAGES, COSTS OR EXPENSES ARE ATTRIBUTABLE TO THE SOLE NEGLIGENCE OF BANK, IT'S

EMPLOYEES, AGENTS OR AFFILIATES. IT IS THE INTENTION OF THE PARTIES THAT THIS INDEMNIFICATION SHALL BE UNLIMITED, AND THAT IT SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY AND ALL DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL AND PUNITIVE DAMAGES.

13. (a) Customer releases Bank, its employees and agents from all liabilities, claims, costs, expenses, losses and damages of any and every kind arising out of or resulting, directly or indirectly, from any act, omission, error or delay in the performance or nonperformance of Bank's services, agreements or duties under this Agreement, including but not limited to any negligence by Bank, its employees, agents, or affiliates. Notwithstanding the foregoing, to the extent, if any, that Bank shall be deemed to have liability under this Agreement, Customer's exclusive remedy and Bank's entire liability for any and all causes, whether for negligence, breach of contract, warranty or otherwise, shall in the aggregate not exceed six months' average billing to Customer taken over the six months preceding the month in which the damage or injury is alleged to have occurred; but if this Agreement has not been in effect for six months preceding such date, then over such fewer number of preceding months that this Agreement has been in effect. Customer may not assert any claim against Bank arising in connection with this Agreement more than one year after the occurrence of the event which gives rise to such claim.

(b) THE OBLIGATIONS, RESPONSIBILITIES AND LIABILITIES OF THE BANK AS ABOVE DESCRIBED IN SUBPARAGRAPH 13(a) ARE EXCLUSIVE AND IN LIEU OF ANY OTHER GUARANTEES, OBLIGATIONS, RESPONSIBILITIES AND LIABILITIES HEREUNDER, WHETHER DIRECT OR INDIRECT, EXPRESSED OR IMPLIED, UNDER LAW OR EQUITY; AND THE BANK DISCLAIMS AND CUSTOMER HEREBY WAIVES AND RELINQUISHES ANY FURTHER OR OTHER SUCH GUARANTEES, OBLIGATIONS, RESPONSIBILITIES, AND LIABILITIES ON THE BANK'S PART, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR OF MERCHANTABILITY, AND CUSTOMER WAIVES ALL CLAIMS FOR CONSEQUENTIAL DAMAGES AND ALL CLAIMS REGARDING LOSS OF REVENUE, INCOME, PROFIT, AND USE OR DAMAGES WHETHER SAME BE DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL. THE EXTENT OF LIABILITY THAT MAY BE IMPOSED ON BANK IS LIMITED STRICTLY AND SOLELY TO THE CIRCUMSTANCES AND AMOUNTS AS SET FORTH ABOVE IN SUBPARAGRAPH 13(a).

14. The Bank shall have no responsibility or liability to Customer or any other party for processing delays or for failures to perform under this Agreement caused by any natural disaster, fire, flood, storm, strike, labor unrest, war, riot, act of God, power failure, equipment failure, software failure, or any other cause beyond Bank's reasonable control. In the performance of the services under this Agreement, Bank shall be entitled to rely solely on the information, representations, and warranties provided by Customer, and Bank shall not be responsible for the accuracy thereof.

15. This Agreement shall be effective for a term of one (1) year from the effective date hereof. The Agreement shall automatically renew for like terms upon the expiration of the then current term. Either party may terminate this Agreement upon fifteen (15) days' prior written notice given to the other party. Notwithstanding the foregoing, Bank may terminate this Agreement, with such termination to be effective immediately upon notice to Customer, (i) if Customer fails to comply with the terms of this Agreement, (ii) if Customer fails to pay when due any of the fees provided for in this Agreement, (iii) if any charge against the Account made hereunder creates an overdraft in such Account, including, without limitation, a daylight overdraft, or (iv) if the Account is closed for any reason or is made subject to levy, garnishment, attachment or similar process. For purposes of this Agreement, "daylight overdraft" shall mean a negative position in the Account at any time during the business day. No termination hereunder or expiration of this Agreement shall affect the rights or obligations of either party which may have arisen or accrued prior to such termination or expiration. Any Instruments or correspondence addressed to Customer received in the Box after termination of this Agreement shall be sent by Bank to Customer at the last address of Customer in effect hereunder, or, at Bank's option, returned to sender. The provisions of the immediately preceding sentence and of Paragraphs 12 and 13 shall survive the termination or expiration of this Agreement.

16. All notices required in connection with this Agreement shall be deemed to have been given when mailed Certified Mail, return receipt requested, postage prepaid, or delivered by messenger to Customer at the address contained in the Instructions; and to Bank at the address provided below or to such other address as either party may specify in writing to the other party.

17. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue for any litigation or controversy arising under or attributable to this Agreement will be in and for the State District Courts of Wharton County, Texas.

18. No waiver of any provision hereunder shall be binding unless such waiver shall be in writing and signed by the party alleged to have waived such provision. Any waiver by either party of any default hereunder shall not operate as a waiver of any other or succeeding defaults.

19. Any specifications, records, systems, and programs that are utilized or developed by Bank in connection with this Agreement (except for Customer's account records or other account information) are and will remain the sole property of Bank.

20. If one or more of the provisions of the Agreement, including the Exhibits hereto, should be or declared to be illegal or unenforceable in any respect under present or future laws or regulations effective during the term of this Agreement, the legality, validity and enforceability of the remaining provisions of this entire Agreement shall not be affected or impaired thereby; PROVIDED, HOWEVER, that should this entire Agreement be or be declared to be illegal, invalid, or unenforceable, or should any regulatory agency

direct Bank to discontinue providing the services hereunder, the parties agree that payments or credits due up to that time shall be remitted or made, and this Agreement shall thereafter be immediately terminated without liability to either party.

21. Mediation. Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. The parties shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Banking Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings. The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in Houston, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. If the parties do not resolve a dispute through mediation pursuant to this Section, the method of binding dispute resolution shall be the Arbitration pursuant to Section 22 of this Agreement.

22. Arbitration. Any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation, shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Banking Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration. A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof. The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Either party, at its sole discretion, may consolidate an arbitration conducted under

this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s). Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent. The parties grant to any person or entity made a party to an arbitration conducted under this Section, whether by joinder or consolidation, the same rights of joinder and consolidation as the parties under this Agreement.

23. Waiver of Jury Trial. The Parties hereby knowingly and voluntarily waive any right that either or both of them shall have to receive a trial by jury with respect to any claims, controversies, or disputes that shall arise out of or related to this Agreement or the subject matter hereof. The prevailing Party in any action brought is entitled to recover from the other Party its reasonable costs and expenses associated with bringing the action, including reasonable attorneys' fees.

24. This Agreement constitutes the entire understanding of the parties in respect of the subject matter hereof and, all prior negotiations, agreements and representations are merged herein. This Agreement may not be modified except in writing signed by an authorized representative of each party. Customer cannot assign this Agreement without the Bank's written consent. This Agreement may be assigned by Bank without Customer's consent.

This Agreement is executed by the duly authorized representative of the parties hereto and shall be effective as of the date of execution by Bank.

"BANK"

"CUSTOMER"

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

Address: _____ Address: _____

EXHIBIT A



PROSPERITY BANK®

Lockbox Processing Instructions

Processing Site: Sugar Land

I. General Information

Company Name: _____	Account Number: _____	
Type of Business: _____	SIC Code: _____	
Company Contact(s): _____	Telephone #: _____	

Company Mailing Address: _____		

City	State	Zip
Company Street Address (If Different): _____		

City	State	Zip

II. Processing Options

Acceptable Payees: _____	_____
_____	_____
_____	_____
Number of Deposit Advices/Check Listings: <input type="checkbox"/> One Set	<input type="checkbox"/> Other (Specify)
Check Copies (Images): <input type="checkbox"/> One	<input type="checkbox"/> Other (Specify)
Envelopes: <input type="checkbox"/> Discard	<input type="checkbox"/> Return to Customer

III. Deposit/Detail Reporting

<input type="checkbox"/> Fax	Fax Number: _____
<input type="checkbox"/> Other	(Please Specify) _____

IV. Mail/Delivery Instructions

<input type="checkbox"/> First Class Mail	<input type="checkbox"/> Airborne Express* *Requires Street	<input type="checkbox"/> U.S. Post Office Express Mail
Address: _____ _____		
<input type="checkbox"/> Pickup by Company Courier	Time: _____	
<input type="checkbox"/> Banking Center (<i>Specify Branch</i>)		
<input type="checkbox"/> Other: _____		
<u>Contents for Primary Address:</u>		<u>Address:</u>
Deposit Advice/ Check Listing		Company Name:
Check Copies (Images)		
Original Invoices		Attention:
Original Envelopes		
Correspondence		Mailing Address:
Unprocessable Item		
	City	State Zip
<u>Contents for Primary Address:</u>		<u>Address:</u>
Deposit Advice/ Check Listing		Company Name:
Check Copies (Images)		
Original Invoices		Attention:
Original Envelopes		
Correspondence		Mailing Address:
Unprocessable Item		
	City	State Zip

EXHIBIT B



PROSPERITY BANK®

LOCK BOX PROCESSING SERVICE

LOCKBOX SERVICES	PRICING UNIT	PRICE
-------------------------	---------------------	--------------

List Services Chosen Here for customized presentation.

****P.O. BOX RENTAL AND FEES ARE A DIRECT DEBIT TO YOUR ACCOUNT
MONTHLY OR ANNUALLY, AS APPLICABLE****

Prosperity Bank
 Lockbox Pricing April 2011

Prosperity Bank - Lockbox Fee Structure

	Prosperity Pricing
Wholesale Lockbox	
Monthly Maintenance Fee	75.00
Per Check Item fee	0.26
Per additional piece (other) fee	0.26
Imaging-Per item fee	0.20
Internet/email Fee - Monthly	20.00
Check and List (Per Key Stroke)	0.00
Correspondence handling/No check mail - per item	0.25
No check mail Imaging (Per Page)	0.10
Data Transmission - Monthly	100.00
Bank Implementation Fee (One Time)	150.00

Retail Lockbox

Monthly Maintenance Fee	75.00
Per Check Item fee	0.26
Per additional piece (other) fee	0.26
Per Item fee - Singles	0.20
Per Item fee - Multiples	0.15
Check Only (No Coupon)	0.15
Retail Data Transmission - Monthly	100.00
Data Entry (Per Key Stroke)	0.00
Retail Image CD Rom (Per Disk)	5.00
Retail EIP File- Monthly	75.00
Retail exception items - per item *plus key stroke	0.25
Coupon Reject (Rejects exceeding 3% will be charged the per item fee)	0.10
Bank Implementation Fee (one time)	150.00
Other Product/Pricing Considerations	TBD
1. EOB -Medical Claims Processing	TBD
2. Courier Fees- Check Dispatch/Exception Items	TBD
3. Access to Image Archive and Web Delivery	TBD
4. PO Box Rental -USPS Rates	TBD
5. Programming Fees	TBD

Additional Fees

Daily Data Transmission	TBD
Daily Courier	TBD
Coupon preparation - download from web site	TBD
Opening Mail	0.10
Return of empty envelopes	0.05
Listing of items on CD Rom	0.03
PO Box Annual Rent	TBD
Computer Programming Customization per hour	250.00
Extra Photocopy	0.15
Facsimile Notification of Deposit - Per Month	50.00

CITY OF OVILLA SERVICE/COST ANALYSIS RECAP OF DEPOSITORY APPLICATIONS
 Costs are for Contract Period 6/1/15-5/31/18

BANK NAME:	PROSPERITY BANK (6/1/15-5/30/18 proposal)	PROSPERITY BANK (current depository)
<p>SERVICE DESCRIPTION:</p> <p>A. BALANCE REPORTING - Online account balance information (historical up to previous days activities)</p> <p>B. CONTROLLED DISBURSEMENT - Early morning notification of all checks to clear that day. Prevents overdraft</p> <p>C. POSITIVE PAY AND ACCOUNT RECONCILIATION - <i>Positive pay</i> - On a daily basis, an electronic report of issued checks is matched to the cleared transactions on your account. <i>Account Reconciliation</i> - Electronic report of all activity is reconciled by bank.</p> <p>D. ACH DEBIT BLOCKING - Account Clearing House - Block Debit Card Transactions - Allow Internet online payment</p> <p>E. ACCOUNT ANALYSIS - To include average balance, uncollected collected funds, reserve, available balance, details of services provided</p> <p>F. BANK STATEMENTS - Statements mailed to City within 7 days.</p> <p>G. CREDIT CARD PAYMENT - Bank agrees to recognize and process credit card payments made for Unility Services. City maintains a separate credit card processing contract</p> <p>H. COLLATERALIZATION - Bank shall maintain a collateral pledge agreement with City on deposit accounts. Report monthly on collateral. Security to equal 102%</p> <p>I. SWEEP ACCOUNT - Excess funds to sweep to investment fund.</p> <p>J. PAYMENT FOR SERVICES - City may elect to pay for services by direct payment or by earnings or by combination of both</p> <p>K. ACCOUNT SETTLEMENT -</p> <p>L. RESEARCH - City request all research requests are responded to within 3 business days</p>	<p>Yes - \$0.00</p> <p>Not Available</p> <p>Positive pay - Available \$0.00 Account Reconciliation - Available for Partial only due to incompatible formatted software \$0.00</p> <p>Yes - \$0.00</p> <p>Available - Fee required</p> <p>Yes - \$0.00</p> <p>Yes - \$0.00 Bank can provide credit/debit card merchant services for a fee</p> <p>Yes - \$0.00 Internal controls to monitor and maintain the required collateral. City will notify the bank 1 day advanced notice of increased deposit balance</p> <p>Not Available Sweep accounts can be provided to internal account, money market and savings accounts only</p> <p>N/A - see fee schedule for fees and waived fees currently there are no fees for services used by City</p> <p>N/A - Account analysis and fees waived as disclosed.</p> <p>Yes \$0.00</p>	<p>Yes - \$0.00</p> <p>Service is not used or required by City. Balance reporting is sufficient.</p> <p>Due to low volumn of checks - this service is not needed by city</p> <p>Yes - \$0.00</p> <p>Service is not needed, funds are currently shown as collected</p> <p>Yes - \$0.00</p> <p>City maintains a separate credit card processing contract</p> <p>Yes - \$0.00</p> <p>City does not have investment account at bank</p> <p>N/A banking fees waived, charges for checks, stop pay, wire, stamps, bags</p> <p>Settlements are provided to City monthly with statements.</p> <p>Yes - \$0.00</p>

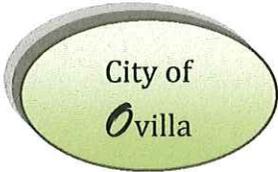
CITY OF OVILLA SERVICE/COST ANALYSIS RECAP OF DEPOSITORY APPLICATIONS

Costs are for Contract Period 6/1/15-5/31/18

BANK NAME:	PROSPERITY BANK (6/1/15-5/30/18 proposal)	PROSPERITY BANK (current depository)
SERVICE DESCRIPTION:		
M. BANK ERRORS - Errors resulting with a loss to city will be returned to city along with lost interest	Yes \$0.00	Yes - \$0.00
N. NSF ITEMS - City request any NSF items be or charge backs to City be ran thru bank process twice.	Yes \$0.00	Yes - \$0.00
COLLATERAL REQUIREMENTS	REFER TO 'H'	REFER TO 'H'
INVESTMENT ACTIVITIES		
A. DIRECT INVESTMENT ALTERNATIVE	NO PROSPERITY DOES NOT PROVIDE INVESTMENT ADVISE, ADMINISTRATION, BOOKKEEPING, SAFEKEEPING SERVICES, OR THE PURCHASE OR LIQUIDATION OF INVESTMENTS	City does not require.
OVERDRAFT PROVISIONS (Contract requires negative balance as accounts viewed collectively, not by individual account.)	. Waived if not a frequent occurrence. Fee \$5.00	Waived if not a frequent occurrence. Fee \$5.00
SERVICEABILITY	Fully capable for all Current Services; several new Requested Services not available or for fee	Fully capable for all Current Services; several Requested Services not available
CHECK IMAGING - CD ROM	Available	Service not used due to online capabilities
AVAILABILITY of FUNDS	1st business day after day of deposit	1st business day after day of deposit
BANK STRENGTH -- ASSETS	\$9.856 billion on 1/31/15 Face Falue	\$9.856 billion on 1/31/15 Face Falue
Bank Accounts (Checking Interest Rates)	Now rate .07% + .30% = .37%	Now rate + .30
LOCATION CONVENIENCE	Red Oak, TX	Red Oak, TX
CERTIFICATES OF DEPOSIT:	as of 1/28/15	as of 1/28/15
7-30 days	na	na
31-60 days	0.1	0.1
61-90 days	0.1	0.1
91-120 days	0.15	0.15
121-150 days	0.15	0.15
151-180 days	0.15	0.15
181-365 days	0.25	0.25
1 to 2 yrs	1 yr .35, 18 mo .40	1 yr .35, 18 mo .40
2 to 3 year	2 yr .50, 3 yr .55	2 yr .50, 3 yr .55

CITY OF OVILLA SERVICE/COST ANALYSIS RECAP OF DEPOSITORY APPLICATIONS
 Costs are for Contract Period 6/1/15-5/31/18

BANK NAME:	PROSPERITY BANK (6/1/15-5/30/18 proposal)	PROSPERITY BANK (current depository)
SERVICE DESCRIPTION:		
Money Market Funds - Interest Rates (Limited Transactions)	\$0-\$100,000 - .05%-.20%	
DIRECT DEPOSIT OF PAYROLL	0	0
ELECTRONIC DEPOSITS - REMOTE DEPOSIT	Available; Fee to City for scanners, software, set up, deposits included in Proposal	City does not use service.
BANKING SERVICES FEE SCHEDULE	SEE ATTACHED	
EMPLOYEE BANK BENEFITS	SEE ATTACHED	



Ovilla City Council

AGENDA ITEM REPORT

Item 7

Meeting Date: March 09, 2015

Department: Administration

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: N/A

Reviewed By: Interim City Administrator City Secretary City Attorney

Accountant Other: Staff

Attachments:

- 1. Ordinance 2015-009

Agenda Item / Topic:

ITEM 7. *DISCUSSION/ACTION - Consideration of and action on Ordinance 2015-009 of the City of Ovilla, Texas, Amending Section 4.00 City Depository of Chapter 1, General Provisions, Ovilla City Code; Providing that this Ordinance shall be cumulative of all ordinances; Providing a severability clause; Providing a savings clause; Providing for publication in the official newspaper; and providing an effective date.*

Discussion / Justification:

This item is applicable only upon approval of the previous Item, number 6.

As authorized by Chapter 105 of the Local Government Code, a municipality (upon completion of notice requirements and selection process) shall designate an official depository for the City's municipal funds. Council's selection was Prosperity as recorded in the previous item.

The presented Ordinance updates the Ovilla Code of Ordinances.

Recommendation / Staff Comments:

Sample Motion(s):

I move that Council approve/deny Ordinance 2015-009 of the City of Ovilla, Texas, amending Section 4.00 City Depository of Chapter 1, General Provision, Ovilla City Code; Providing that this Ordinance shall be cumulative of all ordinances; Providing a severability clause; Providing a savings clause; Providing for publication in the official newspaper; and Providing an effective date.

ORDINANCE 2015-009

AN ORDINANCE OF THE CITY OF OVILLA, TEXAS AMENDING SECTION 4.00 CITY DEPOSITORY OF CHAPTER 1 GENERAL PROVISIONS, OVILLA CITY CODE; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Ovilla is a Type-A general law municipality located in Ellis and Dallas Counties, created in accordance with the provisions of Chapter 6 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, there are no banks, credit unions or savings associations doing business within the City of Ovilla; and

WHEREAS, the City Council has adopted, by resolution, a policy that considers it to be in the best interest of the City to be able to consider applications from such institutions not doing business within the City; and

WHEREAS, such action is specifically authorized by §105.011(b) of the Local Government Code, provided that such institution maintains a place of business within the State of Texas and offers within Texas the services required by the Depository Services Contract; and

WHEREAS, the City Council now desires to change the financial institution designated as the City's Depository.

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

SECTION 1.

Section 4.00, "City Depository" of Chapter 1, "General Provisions" is amended to read as follows:

PROSPERITY BANK, RED OAK, TX is hereby designated as the official depository of the City of Ovilla. The Mayor is authorized and directed to open an account with **PROSPERITY BANK** and to make deposits therein on behalf of the City and draw checks thereon upon authorization by the City Council and upon counter-signature of the City Secretary.

SECTION 2.

This ordinance shall be cumulative of all provisions of ordinances of the City of Ovilla, Texas, 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.

ORDINANCE 2015-009

SECTION 3.

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 in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4.

All rights and remedies of the City of Ovilla are expressly saved as to any and all violations of the provisions of the Ovilla City Code. A copy of said Agreement is attached hereto as Exhibit "A" and made a part hereof for all purposes.

SECTION 5.

The City Secretary is hereby directed to publish this ordinance, or its caption and penalty clause, in the official newspaper as required by the Texas Local Government Code.

SECTION 6.

This ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

PASSED AND APPROVED ON THIS 09th DAY OF March, 2015.

Richard Dormier, MAYOR

ATTEST:

Pamela Woodall, CITY SECRETARY



Ovilla City Council

AGENDA ITEM REPORT

Item: 8

Meeting Date: March 09, 2015

Department: Administration

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Staff

Amount: N/A

Reviewed By: Interim City Administrator City Secretary City Attorney

Accountant

Other: Staff

Attachments:

1. Application

Agenda Item / Topic:

ITEM 8. **DISCUSSION/ACTION** – Consideration of and action on the appointment of a City Council Scholarship Committee and setting a date, time, and location to review the applications.

Discussion / Justification:

The Best Southwest Partnership (BSW) Education Committee submitted scholarship applications to independent school districts, private schools, and charter schools in the twelve cities in the Best Southwest Partnership’s region. The City Council Scholarship Committee, consisting of the Mayor and two City Council persons, is charged with application review and selection process. On or around April 10, 2015, applications received by the BSW will be sorted and provided to the city in which the scholarship applicant resides. Council’s selection should be submitted by May 01, 2015. The BSW 2nd Annual Quarterly Luncheon will be held on May 28, at 11:30 a.m. at the Hilton Garden Inn in Duncanville where the scholarship recipients will be announced.

Recommendation / Staff Comments:

Staff recommends the creation of the City Council Scholarship Committee designating two council persons and the Mayor to schedule a meeting to review scholarship applications.

Sample Motion(s):

I move that Council establish a City Council Scholarship Committee

I move that the Council Scholarship Committee set _____ at _____ pm, located at Ovilla City Hall for the City Council Scholarship Committee to review scholarship applications for the Best Southwest Partnership Education Committee’s scholarship program.

• 2015 SCHOLARSHIP INFORMATION PACKET & SCHOLARSHIP APPLICATION

Best Southwest Partnership • 300 E Wheatland Road, Duncanville, Texas 75116 •
director@bestsouthwest.org • v: 214.535.1883 • Bestsouthwest.org •

• **APPLICATIONS ARE DUE: April 10, 2015**

- **Best Southwest Partnership Scholarship Criteria:**
 - To be eligible for the 2015 Best Southwest Partnership Scholarship award, applicants MUST be a graduating Senior in 2015.
 - To be eligible for the 2015 Best Southwest Partnership Scholarship award, recipients must have a 3.0 GPA or higher.
 - Applicants MUST submit a personal essay (maximum two pages, double spaced) describing why you should be selected for this award, and describe your character, leadership attributes, aspirations, education and career plans, and future goals.
 - Applicants MUST provide a copy of their academic transcript along and enter their ACT/SAT scores
 - Applicants MUST provide an official letter of reference from their school (e.g., principal, teacher, guidance counselor)

2015 Scholarship Information Packet & Scholarship Application

Best Southwest Partnership • 300 E Wheatland Road, Duncanville, Texas 75116 • director@bestsouthwest.org • v: 214.535.1883 • Bestsouthwest.org •

The amount is a one-time, \$750 scholarship for 2015 recipients.

APPLICATIONS ARE DUE: April 10, 2015

Best Southwest Partnership Scholarship Criteria:

- To be eligible for the 2015 Best Southwest Partnership Scholarship award, applicants MUST be a graduating Senior in 2015.
- To be eligible for the 2015 Best Southwest Partnership Scholarship award, recipients must have a 3.0 GPA or higher.
- Applicants MUST submit a personal essay (maximum two pages, double spaced) describing why you should be selected for this award, and describe your character, leadership attributes, aspirations, education and career plans, and future goals.
- Applicants MUST provide a copy of their academic transcript and enter their ACT/SAT scores
- Applicants MUST provide an official letter of reference from their school (e.g., principal, teacher, guidance counselor)

Please have all of this information ready to be uploaded and submitted before starting this application. We recommend writing your essays before filling out this application as you cannot save this form and pick up where you left off.

Applicants must reside in one of the following Best Southwest Partnership cities. Please select your city of residence below: *

- Lancaster Cedar Hill DeSoto Duncanville Balch Springs Ferris Glenn Heights Hutchins Midlothian Ovilla Red Oak Wilmer

BIOGRAPHICAL QUESTIONNAIRE

Full Legal Name *

First Name	Last Name
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Phone Number *

- Area Code Phone Number

E-mail Address *

ex: myname@example.com

Student Home Address *

Street Address

Street Address Line 2

City State / Province

Postal / Zip Code Country

High School *

Graduation Date *

GPA *

ACT or SAT Math Score *

ACT or SAT Verbal Score *

ACT or SAT Total Score *

Academic Transcript *

Browse...

Official Letter of Reference *

Browse...

EXTRA CURRICULAR ACTIVITIES

Briefly describe your high school extracurricular activities, roles and responsibilities. (Limit 500 words)

What are your professional aspirations? What issues, needs or problems do you hope to address? Indicate in which area(s) you are considering making your career and specify how your academic program and your overall educational plans will assist you in achieving your goals. (Limit 500 words)

Briefly describe why you should receive the 2015 Best Southwest Partnership Scholarship by describing your character, leadership attributes, and education plans. (Limit 500 words)

By submitting this application you agree that your image will be shared for publicity purposes.

• Best Southwest Partnership • 300 E Wheatland Road • Duncanville, Texas 75116 •
• director@bestsouthwest.org • v: 214.535.1883 • Bestsouthwest.org •



Ovilla City Council

AGENDA ITEM REPORT

Item: 9

Meeting Date: March 09, 2015

Department: Administration/Fire

Discussion Action

Budgeted Expense: YES NO N/A

Submitted By: Jacqueline Lee

Amount: N/A

Reviewed By: Interim City Administrator City Secretary City Attorney

Accountant Other: Staff

Attachments:	
1. Ordinance 2015-010	
Agenda Item / Topic:	
ITEM 9.	DISCUSSION/ACTION – Consideration of and action on Ordinance 2015-010, of the City of Ovilla, Texas, repealing Appendix A “Fee Schedule” Section A6.000 (A), of the City of Ovilla Code of Ordinances, and replacing same with a new Section A6.000, Providing new Fire Inspection Fees; Providing a savings clause; Providing a severance clause; Proving for incorporation into the Ovilla Code of Ordinances; Providing for immediate effect; and Providing for publication.
Discussion / Justification:	
During the Briefing Session of January 2015, Council and staff deliberated the City’s current fire inspection fees, staff policy on fire inspections and City’s responsible inspector. Reviewing fees from neighboring municipalities proved Ovilla might consider amending their fees to be marketable and fair with the surrounding municipalities.	
The consensus from Council and direction given to staff was to return with an ordinance amending the Fire Inspection Fees.	
Recommendation / Staff Comments:	
Sample Motion(s):	
<i>I move that Council approve/deny Ordinance 2015-010, of the City of Ovilla, Texas, repealing Appendix A “Fee Schedule” Section A6.000 (A), of the City of Ovilla Code of Ordinances, and replacing same with a new Section A6.000, Providing new Fire Inspection Fees; Providing a savings clause; Providing a severance clause; Providing for Incorporation into the Ovilla Code of Ordinances; Providing for immediate effect; and Providing for publication.</i>	

ORDINANCE NO. 2015-010

AN ORDINANCE OF THE CITY OF OVILLA, TEXAS, REPEALING APPENDIX A “FEE SCHEDULE,” SECTION A6.000 (A), OF THE CITY OF OVILLA CODE OF ORDINANCES, AND REPLACING SAME WITH A NEW SECTION A6.000, PROVIDING NEW FIRE INSPECTION FEES; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERANCE CLAUSE; PROVIDING FOR INCORPORATION INTO THE OVILLA CODE OF ORDINANCES; PROVIDING FOR IMMEDIATE EFFECT; AND PROVIDING FOR PUBLICATION.

WHEREAS, on September 26, 2011, the City Council of the City of Ovilla, Texas, passed, approved and adopted Ordinance No. 2011-025, codified in Appendix A, Section A6.000(a) of the Code of Ordinances of the City of Ovilla, adopting fire inspection and related fees; and

WHEREAS, the City Council of the City of Ovilla finds and determines that the fees established under Ordinance No. 2011-025 no longer serve the needs or best interests of the citizens of Ovilla, Texas; and

WHEREAS, the City Council of the City of Ovilla finds and determines that it is in the best interests of the health, safety and welfare of the citizens of Ovilla to establish new fire inspection fees.

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

SECTION 1. REPEAL AND REPLACEMENT OF OF APPENDIX A, SECTION A6.000(A) OF THE OVILLA CODE OF ORDINANCES

Appendix A, Section A6.000 (a) of the Code of Ordinances of the City of Ovilla is hereby repealed in its entirety and replaced with the following provisions:

ARTICLE A6.000 FIRE INSPECTION AND RELATED FEES

(a) Fire Inspection Fee. The fire inspection fees provided herein apply to both residential and commercial inspections and inspections after re-occupancy:

- | | |
|------------------------------------|-----------|
| (1) Inspection: | \$25.00 |
| (2) First Re-Inspection: | No Charge |
| (3) Each Additional Re-Inspection: | \$150.00 |

SECTION 2. SAVINGS CLAUSE

In the event that any other Ordinance of the City of Ovilla, Texas, heretofore enacted is found to conflict with the provisions of the Ordinance, this Ordinance shall prevail.

SECTION 3. SEVERANCE CLAUSE

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court or competent jurisdiction, such shall be deemed a

ORDINANCE NO. 2015-010

separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 4. INCORPORATION INTO THE CODE OF ORDINANCES

The provisions of this ordinance shall be included and incorporated in the City of Ovilla Code of Ordinances and shall be appropriately renumbered to conform to the uniform numbering system of the Code.

SECTION 5. EFFECTIVE DATE

Because of the nature of interest and safeguard sought to be protected by this Ordinance and in the interest of the citizens of the City of Ovilla, Texas, this Ordinance shall take effect immediately after passage, approval and publication, as required by law.

SECTION 6. PUBLICATION

The City Secretary is hereby authorized and directed to cause publication of the descriptive caption and penalty clause hereof as an alternative method of publication provided by law.

PASSED, ADOPTED AND APPROVED by the City Council of Ovilla, Texas on this the 09 day of March, 2015.

Richard Dormier, Mayor

ATTEST:

Pamela Woodall, City Secretary

APPROVED AS TO FORM:

Ron G. MacFarlane, Jr., City Attorney