City of Sachse, Texas

Meeting Agenda

City Council

Monday, October 3, 2016 | **7:30 PM** | **Council Chambers**

The Mayor and Sachse City Council request that all cell phones be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond or to conduct a phone conversation.

The City Council of the City of Sachse will hold a Regular Meeting on Monday, October 3, 2016, at 7:30 p.m. in the Council Chambers at Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to consider the following items of business:

Invocation and Pledges of Allegiance to U.S. and Texas Flags.

A. Pledge of Allegiance to the Flag of the United States of America: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: one nation under God, indivisible, with liberty and justice for all.

B. Pledge of Allegiance to the Texas State Flag: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

1. CONSENT AGENDA.

All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests.

16-3513 Approve the minutes of the September 19, 2016 workshop meeting.

Attachments: 09.19.16 Minutes Workshop

16-3514 Approve the minutes of the September 19, 2016 regular meeting.

Attachments: 09.19.16 Minutes

16-3518 Approve a resolution authorizing the purchase of three Police interceptor utility trucks from Sam Pack's 5 Star Ford through Texas Multiple Schedule Contract Program not to exceed budgeted funds of seventy nine thousand nine hundred and seventy six dollars and eighty cents ($79,976.80).

Attachments: Resolution

16-3525 Approve purchase of a Quint Fire Ladder Truck through Houston-Galvaston area Council Cooperative Purchasing (HGAC) in the amount not to exceed $1,209,921.

Attachments: Final Proposal

16-3527 Approve the Monthly Revenue and Expenditure Report for the period ending August 31, 2016.

Attachments: GF 8-31-16
UF 8-31-16
DS 8-31-16
SEDC 8-31-16
Sales Tax Analysis October 2016

16-3486 Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years and authorizing the City Manager to execute such renewal.

Attachments: Resolution
Form ADV Part 2 2016 03 12

16-3488 Adopt the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy("Sachse Investment Policy") attached hereto as Exhibit "A"; declaring that the City Council has completed its review of the Investment Policy and investment strategies of the City and that Exhibit "A" records any changes to either the Investment Policy or investment strategies; providing a repealing clause; providing a severability clause; and providing for an effective date.

Attachments: 10.01.2016 to 09.30.2017 Investment Policy with markup
Resolution

2. MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS, CURRENT ACTIVITIES, AND LOCAL ACHIEVEMENTS.

16-3521 Recognize the Sachse Historical Society and the Landmark Committee Book.

16-3526 Recognize employees for their service to the City of Sachse.

3. CITIZEN INPUT.

The public is invited at this time to address the Council. The Mayor will ask you to come to the microphone and state your name and address for the record. If your remarks pertain to a specific agenda item, please hold them until that item, at which time the Mayor may solicit your comments. Time limit is 3 minutes per speaker. The City Council is prohibited by state law from discussing any item not posted on the agenda according to the Texas Open Meetings Act, but may take them under advisement.

4. REGULAR AGENDA ITEMS.

16-3531 Receive update on water meter replacement program.

Attachments: Presentation

16-3520 Presentation by the Sachse Historical Society regarding the Moving Vietnam Wall.

16-3522 Presentation regarding the Police Department's 50th Anniversary Badge.

5. ADJOURNMENT.

Vision Statement: Sachse is a friendly, vibrant community offering a safe and enjoyable quality of life to all who call Sachse home.

The City of Sachse reserves the right to reconvene, recess or realign the regular session or called Executive Session or order of business at any time prior to adjournment.

As authorized by Section 551.072(2) of the Texas Government Code, this meeting may be convened into closed Executive Session at any time during the City Council workshop or regular meeting for the purpose of seeking confidential legal advice from the City Attorney on any workshop or regluar meeting agenda item listed herein.

Posted: September 29, 2016; 5:00 p.m.

_____

Michelle Lewis Sirianni, City Secretary

If you plan to attend this public meeting and you have a disability that requires special arrangements, please contact Michelle Lewis Sirianni, City Secretary, at (972) 495-1212, 48 business hours prior to the scheduled meeting date.

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3513	**Version:**	1	**Name:**	September 19, 2016 Council Workshop meeting minutes.
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/21/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve the minutes of the September 19, 2016 workshop meeting.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	09.19.16 Minutes Workshop				

Date	Ver.	Action By	Action	Result

Title
September 19, 2016 workshop minutes.

Background
Minutes of the September 19, 2016 workshop meeting.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Approve the minutes of the September 19, 2016 workshop meeting.

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CITY COUNCIL OF THE CITY OF SACHSE

WORKSHOP MEETING MINUTES

SEPTEMBER 19, 2016

The City Council of the City of Sachse held a workshop meeting on Monday, September 19, 2016 at 6:30 p.m. at Sachse City Hall, 3815-B Sachse Road, Sachse, Texas. Those present were Mayor Mike Felix, Council Members Brett Franks, Charlie Ross, Paul Watkins, Bill Adams, Cullen King, and Jeff Bickerstaff. City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Human Resources Manager, Stacy Buckley; Community Development Director, Dusty McAfee; Parks and Recreation Director, Lance Whitworth; Park Recreation Aide, Angelica Massey; Finance Director, Teresa Savage; Fire Chief, Marty Wade; and Police Chief, Bryan Sylvester.

Mayor Felix called the meeting to order at 6:31 p.m.

COMPREHENSIVE PLAN UPDATE: Receive a status update on the Comprehensive Plan from staff.

Mr. McAfee provided an update to Council regarding the public engagement that has and continues to occur including the design charrettes and focus groups, town hall meetings, and the Facebook surveys. Mr. McAfee stated that CPAC has started meeting and has additional meetings scheduled that will focus on parks, CIP's, fiscal modeling, and policies. A joint work session is scheduled in October with final presentations to take place in January. Key policy themes that have arose so far include more retail and restaurant options, PGBT development, redevelopment/beautification of SH 78, better parks and trails, and a walkable urban downtown area. The public input process is mostly complete, but on-going, and involvement thus far has been high and diverse.

No further discussion or action was taken.

CITY OF SACHSE CABOOSE: Discuss the City of Sachse Caboose located on Highway 78 and 5th Street.

Mrs. Nash stated that she requested staff to take a further look and research possible projects and specifics on rehabilitating the caboose. Staff is seeking direction from Council on possible options regarding the caboose.

Mr. Whitworth presented Council with a history of the caboose including when it was initially purchased (April 1996), to how it was a collaborative effort by many organizations to obtain the caboose. All organizations agreed the ownership would be retained by the City and the Sachse Assembly of God Church donated the land where the caboose is located today. The Chamber of Commerce moved into the caboose in 1997. Over the last several years, the caboose has been used as the Chamber of Commerce and a small business library. However, today it sits empty and is in need of some attention. Mr. Whitworth stated that staff is seeking Council direction on the following items: re-painting the caboose, repaint or create a new logo, replace/enhance landscaping, display lighting at night, signage, border fencing, re-striping the parking lot, and/or

any other ideas such as possible tours in the caboose. Mr. Whitworth added that he researched the EPA guidelines on the lead abatement. Due to not meeting their criteria, the City would not have to follow these regulations.

The Council discussed possible partnerships with the Historical Society and the Chamber of Commerce, possible interest in creating a new logo based on outcome of the Comprehensive Plan update, the interior and exterior options for the caboose, touring and who would be responsible, and displaying history somehow inside or outside the caboose.

Council agreed that they would like to see some partnership with the Historical Society, some landscaping options, all like current "Sachse Shines" logo, but open to other options, like the idea of having the caboose lit at night, maybe some kind of split rail fencing or something similar to Firefighter's Park, possible benches outside, and restriping parking lot.

Mrs. Nash stated that staff will discuss cost and get quotes on painting logo, landscaping options, and time frame of project. They will bring up logo option(s) with the Comprehensive Plan consultants and bring back to Council before plan is adopted.

Mayor Felix commented that they look at the project in two segments: doing the exterior first, then the interior if they decide to open up for tours.

Mr. Whitworth added that he will acquire information requested by Council and come back with options.

ADJOURNMENT: At 7:04 p.m. Mayor Felix adjourned the meeting.

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MIKE J FELIX, MAYOR

ATTEST:

_____

Michelle Lewis Sirianni, City Secretary

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3514	**Version:**	1	**Name:**	September 19, 2016 Council meeting minutes.
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/21/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve the minutes of the September 19, 2016 regular meeting.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	09.19.16 Minutes				

Date	Ver.	Action By	Action	Result

Title
September 19, 2016 meeting minutes.

Background
Minutes of the September 19, 2016 regular meeting.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Approve the minutes of the September 19, 2016 regular meeting.

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CITY COUNCIL OF THE CITY OF SACHSE

MEETING MINUTES

SEPTEMBER 19, 2016

The City Council of the City of Sachse held a regular meeting on Monday, September 19, 2016 at 7:30 p.m. at Sachse City Hall, 3815-B Sachse Road, Sachse, Texas. Those present were Mayor Mike Felix, Council Members Brett Franks, Charlie Ross, Paul Watkins, Bill Adams, Cullen King, and Jeff Bickerstaff. City Manager, Gina Nash; City Secretary, Michelle Lewis Sirianni; Park and Recreation Director, Lance Whitworth; Recreation Aide, Angelica Massey; Community Development Director, Dustin McAfee; Human Resources Director, Stacy Buckley; Finance Director, Teresa Savage; Finance Accountant, Karen Ramirez; Fire Chief, Marty Wade; and Police Chief, Bryan Sylvester.

Mayor Felix opened the meeting at 7:33 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND STATE FLAG: The invocation was offered by Councilman King and the pledges by Councilman Adams.

CONSENT AGENDA: All items listed on the Consent Agenda are considered routine and will be acted on by one motion, with no separate discussion of these items unless a Council member or citizen so requests. **16-3501** Approve the minutes of the September 6, 2016 workshop meeting. **16-3502** Approve the minutes of the September 6, 2016 regular meeting.

Councilman Bickerstaff made a motion to approve items 16-3501and 16-3502 as submitted. Mayor Pro Tem Ross seconded that motion and the motion was unanimously approved.

MAYOR AND CITY COUNCIL ANNOUNCEMENTS REGARDING SPECIAL EVENTS:

Councilman King recognized a Boy Scout working on merit badge that was in the audience and stated that on Saturday, October 1 the low shot animal clinic will take place at the animal shelter and will include micro chipping.

Mayor Pro Tem Ross stated that the Library is hosting a crochet class on September 26, is holding a mass decorating event on October 1 for teens/tweens, and on October 4 the Library will have a space and telescope program. September is library card signup month and the Library is encouraging those who check out five items or more will be entered into a drawing to receive a Barnes and Noble gift card. The Library is also seeking volunteers that are 15 years of age or older that can work two hour shifts; details are on the city's website. Lastly, the Library currently offers a parent education collection available for all.

Councilman Franks stated that the Pumpkin Prowl will take place on Saturday, October 15 at 6:00 p.m. at Salmon Park. Activities will include a haunted hay ride, costume contest, and several other events.

Mayor Felix stated that on Wednesday, September 21, a Community Open House regarding the City's Stormwater Utility Rate Study will take place at the Library from 6:00 to 8:00 p.m., on Saturday, September 24 a Color Fun Run by the Sachse Chamber of Commerce in honoring tornado first responders by benefiting the Garland Area Habitat for Humanity will take place at Firewheel Golf Park Bridges Course at 6:30 p.m. and on Wednesday, October 12, Fire Station #1 & 2 will host an Open House from 6:00 to 8:00 p.m. Fun activities for all including hose spraying, dressing up in bunker gear, and photos.

16-3503 Recognize Community Development on receiving the Planning Excellence Award.

Mayor Felix presented Dusty McAfee, Community Development Director with the Planning Excellence Award received by the City.

16-3507 Proclamation declaring September, 2016, as Blood Cancer Awareness month.

Mayor Felix presented Gina Nash, City Manager with Proclamation. Mrs. Nash commented about what LLS is and how others can get involved.

16-3508 Proclamation declaring September, 2016 as National Preparedness month.

Mayor Felix presented Fire Chief, Marty Wade with Proclamation. Chief Wade commented on how to stay prepared in a disaster and encouraged everyone to visit www.ready.gov to learn more.

CITIZENS INPUT:

Ben Peacock, 5108 Brookhollow Drive, stated that he was appreciative of Code Enforcement and a recent problem that was taken care of by staff.

REGULAR AGENDA ITEMS:

16-3495 Discuss and consider an ordinance approving and adopting the budget for Fiscal Year beginning October 1, 2016 and ending September 30, 2017.

Mrs. Nash stated that considering this ordinance is the final step in adopting the budget.

Councilman Watkins made a motion to approve an ordinance approving and adopting the budget for Fiscal Year beginning October 1, 2016 and ending September 30, 2017. Councilman Adams seconded that motion and the motion was unanimously approved.

16-3497 Motion to ratify the property tax increase in the budget for Fiscal Year 2016-2017.

Mrs. Nash stated that state law requires a separate vote to ratify the property tax increase reflected in the budget.

Councilman King moved to ratify the property tax increase in the budget for Fiscal Year 2016-2017. Councilman Franks seconded that motion and the motion was unanimously approved.

16-3496 Discuss and consider an ordinance levying ad valorem taxes for the year 2016 (Fiscal Year 2016-2017) at a rate of $0.757279 per one hundred dollars ($100) assessed valuation on all taxable property within the corporate limits of the City of Sachse as of January 1, 2016.

Mrs. Nash stated that Council has now adopted the budget and ratified the property tax increase. This item will levy the specific ad valorem tax rate of $0.757279.

Councilman Bickerstaff made a motion to approve an ordinance levying ad valorem taxes for the year 2016 and that the property tax rated be increased by the adoption of a tax rate of $0.757279, which is effectively an 8.71 percent increase in the tax rate. Councilman King seconded that motion and the motion was unanimously approved.

16-3498 Consider a resolution amending the Master Fee Schedule by amending Solid Waste Rates for residential service effective October 1, 2016.

Mrs. Nash stated the City's contract with Republic Services includes a base rate adjustment for CPI and disposal, and that any proposed increase will be subject to Council approval. The proposed change will require an amendment to the Master Fee Schedule if approved. The CPI increase requested is 1.02%.

Rick Bernas with Republic Services stated that they are asking for just the annual CPI increase.

Councilman King stated his concerns are in regards to the current service being received the past few weeks including trash being left in the street(s), skipped bins, and care of carts when being placed back down.

Councilman Franks asked when does a replacement fee get charged and stated that he appreciates there the no extra fee for the recycling cart. Mr. Bernas responded that fees are typically not accessed unless they are set on fire, stolen, etc. There is no fee to have one replaced for a broken wheel.

Councilman Adams also expressed his concern for the cart placement and the carts not being completely emptied when being dumped. Councilman Adams asked if the landfill times were still affecting their time to service their areas.

Mayor Felix asked if there was a way to set up some form of communications with the citizens of Sachse that would give them a more direct outreach to Republic Services and also requested a quarterly update versus yearly. Mr. Bernas stated he would be happy to do a quarterly update and would look into setting up a communication system of some sort for the City.

Councilman Bickerstaff made a motion to approve a resolution amending the Master Fee Schedule by amending Solid Waste Rates for residential service effective October 1, 2016. Councilman Watkins seconded that motion and the motion was unanimously approved.

16-3509 Presentation regarding the 2016 National Night Out.

Chief Sylvester presented Council with an overview of this year's National Night Out (NNO) event. Chief stated that the event was formed in 1984 as part of the National Association of Town Watch event, which provides opportunities for neighbors to meet one another, increase interaction and communication among police, city leaders, and citizens along with encouraging citizen to become more involved in crime prevention in their community, which in turn builds relationships of trust and respect. Chief Sylvester stated that this year they will be doing a Pre-NNO event at the Senior Center from noon to 1:00 p.m. There will be presentations by Fire and Police on different topics including home security, recognition and prevention of phone/internet scams, as well as many others. Chief provided information on how to register for a block party and commented that this year they are also doing a canned food drive along with the event and they are willing to pick up items at the individual block parties. Chief encouraged all to turn their front porch light on that evening, attend a block party, and have fun.

Councilman Adams stated that the event is a lot of fun and the pre-event at the Senior Center is a brilliant idea.

Councilman King commented that his family is very excited for the event and thanked everyone for their hard work.

Mayor Felix commented that they aim that every block party will get a council member visit.

ADJOURNMENT:

Mayor Felix adjourned the meeting at 8:19 p.m.

_____
MIKE J FELIX, MAYOR

ATTEST:

_____
Michelle Lewis Sirianni, City Secretary

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3518	**Version:**	1	**Name:**	Police Interceptor Utility Truck Purchase
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/22/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve a resolution authorizing the purchase of three Police interceptor utility trucks from Sam Pack's 5 Star Ford through Texas Multiple Schedule Contract Program not to exceed budgeted funds of seventy nine thousand nine hundred and seventy six dollars and eighty cents ($79,976.80).				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Resolution				

Date	Ver.	Action By	Action	Result

Title
Purchase of three Police interceptor utility trucks.

Background
Two vehicles will be utilized to replace front line patrol vehicles, and one vehicle will be utilized to replace aging administration vehicle.

Policy Considerations
None.

Budgetary Considerations
Amount meets budget authorization for FY 2016-2017.

Staff Recommendations
Approve resolution to authorize the purchase of three Police interceptor utility trucks from Sam Pack's 5 Star Ford through Texas Multiple Schedule Contract Program not to exceed budgeted funds of seventy nine thousand nine hundred and seventy six dollars and eighty cents ($79,976.80).

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, AUTHORIZING THE PURCHASE OF THREE (3) 2017 FORD POLICE INTERCEPTOR UTILITY TRUCK (FORD EXPLORER) FROM SAM PACK'S 5 STAR FORD THROUGH TEXAS MULTIPLE SCHEDULE CONTRACT PROGRAM ("TXMAS") NOT TO EXCEED THE BUDGETED FUNDS OF SEVENTY NINE THOUSAND NINE HUNDRED AND SEVENTY SIX DOLLARS AND EIGHTY CENTS ($79,976.80) FOR THE CITY OF SACHSE POLICE DEPARTMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sachse, Texas, pursuant to the authority granted by Chapter 271, Subchapter D, of the Texas Local Government Code, desires to participate in intergovernmental purchasing; and

WHEREAS, the City Council is of the opinion that participation in this program will be highly beneficial to the taxpayers of this City, through the anticipated savings to be realized through the intergovernmental purchase of products including municipal vehicles; and

WHEREAS, funding has been appropriated in the fiscal year 2016-2017 budget for the purchase of police vehicles.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The City Council approves the use of cooperative purchasing through TXMAS from Sam Pack's Five Star Ford to purchase the following vehicle per bid specifications:

Three (3) 2017 Ford Police Interceptor Utility Truck (Ford Explorer) $79,976.80

TOTAL $79,976.80

SECTION 2. The City Council authorizes the City Manager to execute any documents necessary to complete this transaction.

SECTION 3. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the _____ day of October, 2016.

CITY OF SACHSE, TEXAS

_____

Mike Felix, Mayor

ATTEST:

_____

Michelle Lewis Sirianni, City Secretary

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3525	**Version:**	1	**Name:**	Purchase of Ladder Truck
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/27/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve purchase of a Quint Fire Ladder Truck through Houston-Galvaston area Council Cooperative Purchasing (HGAC) in the amount not to exceed $1,209,921.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Final Proposal				

Date	Ver.	Action By	Action	Result

Title
Fire Ladder Truck (Quint)

Background
The purchase of a new ladder truck is to replace the existing 75 Ft - American LaFrance Ladder Truck as a front line service vehicle.

Policy Considerations
None.

Budgetary Considerations
On July 18, 2016, the City Council approved issuance of the Limited Tax Notes, Series 2016 for the purchase of this ladder truck.

Staff Recommendations
Approve purchase of 1 Pierce Enforcer PUC - 107' Ascendant Ladder Truck (Quint) through Houston-Galvaston area Council Cooperative Purchasing (HGAC) in the amount not to exceed $1,209,921.

3500 Shelby Lane
Denton, Texas 76207
GDN P115891
TXDOT MVD No. A115890
EIN 27-4333590

July 24, 2016

Marty Wade, Chief
Sachse Fire Dept.
3815 Sachse Rd.
Sachse TX 75048

Proposal for 107` HD Aerial, 2 Ambulances

Siddons-Martin Emergency Group, LLC is pleased to provide the following proposal to Sachse Fire Dept.. Unit will comply with all specifications attached and made a part of this proposal. Total price includes delivery FOB Sachse Fire Dept. and training on operation and use of the apparatus.

Description		Amount
4937712-223 Ascendant 107 Enforcer PUC Pierce, Enforcer, Aerial, HD Ladder - 107, DD13 525, 500 gal, PUC 1500 Price guaranteed for 60 days. Delivery within 13-14 months of order date.	Vehicle Price	$ 1,042,680.00
	Equipment	$ 207,167.00
	5yr Annual Ser/Pump	$ 12,500.00
Chassis Prepay Discount **($ 10,358.00). $ 345,274.00** due with order.	Prepay Discount	($ 10,358.00)
Aerial Prepay Discount **($ 4,485.00). $ 284,649.00** due with order.	Prepay Discount	($ 4,485.00)
Full Prepay Discount **($ 37,583.00).** Total amount due with order.	Prepay Discount	($ 37,583.00)
	SUB TOTAL	**$ 1,209,921.00**
10063-0005 (2) Road Rescue Ultra Medic ($ 242,262.00 ea) Ford, Ford, 2 Door, Road Rescue, Ultramedic, Powerstroke 300, No Tank, No Pump Price guaranteed for 60 days. Delivery within 4-5 months of order date. 120 day delivery time based off chassis delivery to manufacturer.	Vehicle Price	$ 484,524.00
	Multi Unit Discount	($ 17,000.00)
	SUB TOTAL	**$ 467,524.00**
	H-GAC FS12-15	$ 2,000.00
	HGAC Ambulance	$ 1,000.00
	TOTAL	**$ 1,680,445.00**

Additional. Power lift/no cot is included in the price of the ambulance.

A change in the quantity of trucks purchased will affect the multi truck discounts.

Taxes. Tax is not included in this proposal. In the event that the purchasing organization is not exempt from sales tax or any other applicable taxes and/or the proposed apparatus does not qualify for exempt status, it is the duty of the purchasing organization to pay any and all taxes due. Balance of sale price is due upon acceptance of the apparatus at the factory.

Late Fee. A late fee of .033% of the sale price will be charged per day for overdue payments beginning ten (10) days after the payment is due for the first 30 days. The late fee increases to .044% per day until the payment is received. In the event a prepayment is received after the due date, the discount will be reduced by the same percentages above increasing the cost of the apparatus.

Cancellation. In the event this proposal is accepted and a purchase order is issued then cancelled or terminated by Customer before completion, Siddons-Martin Emergency Group may charge a cancellation fee. The following charge schedule based on costs incurred may be applied:

(A) 10% of the Purchase Price after order is accepted and entered by Manufacturer;
(B) 20% of the Purchase Price after completion of the approval drawings;
(C) 30% of the Purchase Price upon any material requisition.

The cancellation fee will increase accordingly as costs are incurred as the order progresses through engineering and into manufacturing. Siddons-Martin Emergency Group endeavors to mitigate any such costs through the sale of such product to another purchaser; however, the customer shall remain liable for the difference between the purchase price and, if applicable, the sale price obtained by Siddons-Martin Emergency Group upon sale of the product to another purchaser, plus any costs incurred by Siddons-Martin to conduct such sale.

Acceptance. In an effort to ensure the above stated terms and conditions are understood and adhered to, Siddons-Martin Emergency Group, LLC requires an authorized individual from the purchasing organization sign and date this proposal and include it with any purchase order. Upon signing of this proposal, the terms and conditions stated herein will be considered binding and accepted by the Customer. The terms and acceptance of this proposal will be governed by the laws of the state of TX. No additional terms or conditions will be binding upon Siddons-Martin Emergency Group, LLC unless agreed to in writing and signed by a duly authorized officer of Siddons-Martin Emergency Group, LLC.

Sincerely,

Scott Beckwith
Siddons-Martin Emergency Group, LLC

I, _____, the authorized representative of Sachse Fire Dept., agree to purchase the proposed and agree to the terms of this proposal and the specifications attached hereto.

_____
Signature & Date

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3527	**Version:**	1	**Name:**	Monthly Budget Report August 2016
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/27/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve the Monthly Revenue and Expenditure Report for the period ending August 31, 2016.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	GF 8-31-16 UF 8-31-16 DS 8-31-16 SEDC 8-31-16 Sales Tax Analysis October 2016				

Date	Ver.	Action By	Action	Result

Title
Monthly Revenue and Expenditure Report for the period ending August 31, 2016.

Background
The Finance Department will prepare a report each month to update the City Council regarding the revenues and expenditures for the City. The report includes unaudited summaries for the General Fund, Utility Fund, Debt Service Fund, and Sachse Economic Development Corporation, as well as an analysis of sales tax receipts. The attached reports are for the month of August 2016.

Policy Considerations
City Charter requires that the City Manager submit a report summarizing revenues and expenditures on a monthly basis.

Budgetary Considerations
There are no significant variances through the eleventh month of the fiscal year.

Staff Recommendations
Approve the Monthly Revenue and Expenditure Report for the period ending August 31, 2016.

City of Sachse

Monthly Revenue and Expenditure Report

August 31, 2016

(Unaudited)

GENERAL FUND

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference
					92%
Revenue Summary					
Property Tax	$ 9,106,824	$ 9,334	$ 9,201,143	101.04%	
Sales Tax	1,244,094	151,892	1,325,863	106.57%	
Franchise Fees	1,590,122	141,273	1,621,930	102.00%	
Licenses and Permits	535,500	80,950	735,133	137.28%	
Service Fees	681,500	135,844	925,224	135.76%	
Fines	275,000	33,621	243,374	88.50%	
Interest Income	12,000	3,185	17,807	148.39%	
Miscellaneous Income	372,360	3,705	161,763	43.44%	
Intergovernmental Revenue	986,945	82,245	904,700	91.67%	
Total Revenue	**$ 14,804,345**	**$ 642,049**	**$ 15,136,936**	**102.25%**	
Expenditure Summary					
City Manager	$ 383,652	$ 24,179	$ 322,782	84.13%	
City Secretary	141,048	8,424	117,580	83.36%	
Human Resources	294,803	24,931	258,319	87.62%	
Finance	608,428	38,489	530,459	87.19%	
Municipal Court	212,197	16,725	180,088	84.87%	
Parks & Recreation	1,036,647	79,856	888,006	85.66%	
Senior Programs	124,621	9,038	104,074	83.51%	
Library Services	384,055	36,791	340,066	88.55%	
Community Development	1,068,099	66,101	941,785	88.17%	
Streets & Drainage	1,289,454	151,445	1,142,325	88.59%	
Facility Maintenance	477,563	(2,179)	409,325	85.71%	**A**
Police	4,357,801	299,168	3,843,722	88.20%	
Animal Control	225,172	13,266	194,027	86.17%	
Fire/EMS	3,355,682	291,003	3,046,356	90.78%	
Combined Services	614,963	33,158	575,362	93.56%	
City Engineer	269,661	19,081	227,289	84.29%	
Total Expenditures	**$ 14,843,846**	**$ 1,109,474**	**$ 13,121,566**	**88.40%**	
Total Revenue Over/Under Expenses	**$ (39,501)**	**$ (467,425)**	**$ 2,015,370**		

Explanation of Major Variances:

A Correction posted for building maintenance storm damage claim

City of Sachse

Monthly Revenue and Expenditure Report

August 31, 2016

(Unaudited)

UTILITY FUND

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference 92%
Revenue Summary					
Water Revenue	$ 4,839,836	$ 746,021	$ 5,508,225	113.81%	
Sewer Revenue	4,132,115	348,608	3,736,518	90.43%	
Fees	156,300	18,766	168,508	107.81%	
Interest Income	2,500	1,362	4,703	188.14%	
Transfer In-Debt Service	138,194	-	138,146	99.97%	
Miscellaneous Income	-	-	50		
Total Revenue(Budgeted)	**$ 9,268,945**	**$ 1,114,758**	**$ 9,556,150**	**103.10%**	
Transfer In-EDC			1,271,301	N/A	**A**
Transfer In-TIF			1,074,272	N/A	**A**
Total Revenue	**$ 9,268,945**	**$ 1,114,758**	**$ 11,901,722**	**N/A**	
Expenditure Summary					
Utility Administration	$ 285,823	$ 16,837	$ 262,349	91.79%	
Water Operations	5,034,698	422,747	4,222,699	83.87%	
Sewer Operations	3,427,132	208,823	3,583,258	104.56%	**B**
Meter Reading	227,045	12,114	217,953	96.00%	
Total Expenditures	**$ 8,974,698**	**$ 660,521**	**$ 8,286,259**	**92.33%**	
Total Revenue Over/Under Expenses	**$ 294,247**	**$ 454,236**	**$ 3,615,463**		

Explanation of Major Variances:

A Project-specific transfers for Third Sewer Connection Project

B Includes capital project expenses budgeted in previous years

Monthly Revenue and Expenditure Report
August 31, 2016
(Unaudited)

Debt Service Fund

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference 92%
Revenue Summary					
Property Tax	$ 3,001,087	$ 3,053	$ 2,993,502	99.75%	
Miscellaneous Receipts	$ -	$ -	$ -	N/A	
Interest Income	1,500	176	452	30.11%	
Total Revenue	**$ 3,002,587**	**$ 3,229**	**$ 2,993,954**	**99.71%**	
Expenditure Summary					
Fees	$ 1,000	$ -	$ 1,206	120.63%	
Principal	1,325,000		1,325,000	100.00%	**A**
Interest	1,553,433	765,991	1,553,433	100.00%	**A**
Transfer Out-Utility Fund	138,146		138,146	100.00%	
Total Expenditures	**$ 3,017,579**	**$ 765,991**	**$ 3,017,785**	**100.01%**	
Total Revenue Over/Under Expenses	**$ (14,992)**	**$ (762,762)**	**$ (23,831)**		

A Principal payments are due in February and interest payments in February and August

City of Sachse

Monthly Revenue and Expenditure Report

August 31, 2016

(Unaudited)

SACHSE ECONOMIC DEVELOPMENT CORPORATION

92% of Year Completed

	Annual Budget	Current Month Actual	Actual YTD	YTD Actual as a Percent of Budget	Note Reference
					92%
Revenue Summary					
Sales Tax	$ 609,759	$ 75,946	$ 648,320	106.32%	
Other Income	$ -	$ 5,000	$ 15,000	N/A	
Interest Income	8,000	199	3,858	48.23%	
Total Revenue	**$ 617,759**	**$ 81,145**	**$ 667,179**	**108.00%**	
Expenditure Summary					
Expenditures	599,811	43,554	390,767	65.15%	
Total Budgeted Expenditures	**$ 599,811**	**$ 43,554**	**$ 390,767**	**65.15%**	
Economic Development Grants	**$ -**	**$ -**	**$ 1,354,564**	**N/A**	**A**
Total Expenditures	**$ 599,811**	**$ 43,554**	**$ 1,745,331**		
Total Revenue Over/Under Expenses	**$ 17,948**	**$ 37,591**	**$ 276,412**		

Explanation of Major Variances:

A Grants to City of Sachse for Third Sewer Connection and Quiet Zone

CITY OF SACHSE
2015/2016 SALES TAX ANALYSIS

FY 2015	Total Sales Tax	General Fund Sales Tax	General Fund Year-To-Date	YTD Percent of Budget
October	149,053	85,169	85,169	7.30%
November	227,089	129,759	214,928	18.43%
December	162,100	92,624	307,552	26.37%
January	158,992	90,848	398,400	34.16%
February	257,209	146,969	545,369	46.75%
March	141,655	80,941	626,311	53.69%
April	135,136	77,217	703,527	60.31%
May	226,142	129,217	832,745	71.39%
June	166,541	95,162	927,907	79.55%
July	155,796	89,022	1,016,929	87.18%
August	228,922	130,806	1,147,735	98.40%
September	165,152	94,368	1,242,103	106.49%
TOTAL	2,173,787	1,242,103		
BUDGET		1,166,444		

FY 2016	Total Sales Tax	General Fund Sales Tax	General Fund Year-To-Date	YTD Percent of Budget
October	156,703	89,540	89,540	7.34%
November	223,828	127,895	217,435	17.83%
December	162,793	93,020	310,455	25.46%
January	198,309	113,314	423,769	34.75%
February	278,265	159,001	582,769	47.79%
March	168,935	96,530	679,299	55.70%
April	165,486	94,559	773,858	63.46%
May	269,268	153,860	927,718	76.07%
June	190,617	108,919	1,036,636	85.00%
July	189,206	108,113	1,144,749	93.87%
August	265,824	151,892	1,296,641	106.32%
September	196,876	112,495	1,409,136	115.55%
TOTAL	2,466,111	1,409,136		
BUDGET		1,219,518		

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3486	**Version:**	1	**Name:**	Investment Advisory Services Agreement Renewal
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	8/23/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Approve the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years and authorizing the City Manager to execute such renewal.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Resolution Form ADV Part 2 2016 03 12				

Date	Ver.	Action By	Action	Result

Title
Renewal of an agreement with Valley View Consulting

Background
In October 2006, Valley View Consulting, LLC was initially contracted to provide investment advisory services to the City. The City desires to renew the contract which expires on September 30th, 2016 for a two year period with the option to renew for an additional 2 years.

The City has, under the guidance and advice of Valley View Consulting, laddered the City 's portfolio with authorized investments whenever possible in order to address portfolio diversification, yield and maturity, while maintaining the liquidity required for obligations as they come due. They also assist the City with the Investment Policy and Broker/Dealers list annual review as required by the PFIA and in the preparation of Quarterly Investment Reports.

As part of this advisory service, Valley View assisted with the 2015 bank depository request for proposals and spearheaded the bank depository RFA process prior to the the expiration of the agreement September 30, 2015.

Policy Considerations
Investment strategies and objectives to preserve principal, maintain liquidity and attain competitive overall yields.

Budgetary Considerations
The cost of the advisory service will be approximately .08% (annualized) or .02% per quarter applied against the City's average book value balance in its portfolio. The fee will be charged against interest earnings. These fees have been taken into consideration for the current budget. Fees paid in 2014-2015 were approximately $21,800. The fees for 2015-2016 are projected to total approximately the same at $21,800.

Staff Recommendations

Approve a resolution approving the renewal of an agreement with Valley View Consulting for the purpose of investment advisory services for an additional two years and authorizing the City Manager to execute such renewal.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT, BY AND BETWEEN THE CITY OF SACHSE AND VALLEY VIEW CONSULTING, L.L.C. TO PROVIDE ASSISTANCE TO THE CITY IN THE SELECTION, PURCHASE AND SALE OF INVESTMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Sachse has been presented with a proposed Agreement by and between the City of Sachse, Texas and Valley View Consulting, L.L.C. (the "Agreement") to provide assistance to the City in the selection, purchase and sale of investments; and

WHEREAS, upon full review and consideration of the Agreement and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions thereof should be approved, and that the City Manger should be authorized to execute the Agreement on behalf of the City of Sachse, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to execute the Agreement, attached hereto as Exhibit "A", to provide assistance to the City in the selection, purchase and sale of investments.

SECTION 2. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the _____ day of _____, 2016.

CITY OF SACHSE, TEXAS

_____
Mike Felix, Mayor

ATTEST:

_____
Michelle Lewis-Sirianni, City Secretary

EXHIBIT "A"

AGREEMENT
BY AND BETWEEN
THE CITY OF SACHSE, TEXAS
AND
VALLEY VIEW CONSULTING, L.L.C.

It is understood and agreed that the City of Sachse (the *Investor*) will have from time to time money available for investment (*Investable Funds*) and Valley View Consulting, L.L.C. (*Advisor*) has been requested to provide professional services to the Investor with respect to the Investable Funds. This agreement (the *Agreement*) constitutes the understanding of the parties with regard to the subject matter hereof.

1. This Agreement shall apply to any and all Investable Funds of the Investor from time to time during the period in which this Agreement shall be effective.

2. The Advisor agrees to provide professional services as requested by the Investor while adhering to the rules and regulations of Securities and Exchange Commission-registered investment advisors.

3. The Advisor, if so requested, is prepared to perform the following duties:

   a. Assist the Investor in developing cash flow projections,

   b. Suggest appropriate investment strategies to achieve the Investor's objectives,

   c. Advise the Investor on market conditions, general information and economic data,

   d. Analyze risk/return relationships between various investment alternatives,

   e. Attend occasional meetings as requested by the Investor,

   f. Assist in the selection, purchase, and sale of investments. The Advisor shall not have discretionary investment authority over the Investable Funds and the Investor shall make all decisions regarding purchase and sale of investments. All funds shall be invested consistent with the Texas Public Funds Investment Act, Chapter 2256 Government Code and the Investor's Investment Policy. The eligible investments are listed in the Investor's Investment Policy,

   g. Advise on the investment of bond funds as to provide the best possible rate of return to the Investor in a manner which is consistent with the proceedings of the Investor authorizing the investment of the bond funds or applicable federal rules and regulations,

   h. Assist the Investor in creating investment reports in compliance with State legislation and the Investor's Investment Policy,

   i. Assist the Investor in creating monthly portfolio accounting reports, and

   j. Assist the Investor in selecting a primary depository services financial institution.

4. The Investor agrees to:

a. Compensate the Advisor for any and all services rendered and expenses incurred as set forth in Appendix A attached hereto,

b. Provide the Advisor with the schedule of estimated cash flow requirements related to the Investable Funds, and will promptly notify the Advisor as to any changes in such estimated cash flow projections,

c. Allow the Advisor to rely upon all information regarding schedules, investment policies and strategies, restrictions, or other information regarding the Investable Funds as provided to it by the Investor and that the Advisor shall have no responsibility to verify, through audit or investigation, the accuracy or completeness of such information,

d. Recognize that there is no assurance that recommended investments will be available or that such will be able to be purchased or sold at the price recommended by the Advisor, and

e. Not require the Advisor to place any order on behalf of the Investor that is inconsistent with any recommendation given by the Advisor or the policies and regulations pertaining to the Investor.

5. In providing the investment services in this Agreement, it is agreed that the Advisor shall have no liability or responsibility for any loss or penalty resulting from any investment made or not made in accordance with the provisions of this Agreement, except that the Advisor shall be liable for its own gross negligence or willful misconduct; nor shall the Advisor be responsible for any loss incurred by reason of any act or omission of any broker, selected with reasonable care by the Advisor and approved by the Investor, or of the Investor's custodian. Furthermore, the Advisor shall not be liable for any investment made which causes the interest on the Investor's obligations to become included in the gross income of the owners thereof.

6. The fee due to the Advisor in providing services pursuant to this Agreement shall be calculated in accordance with Appendix A attached hereto, and shall become due and payable as specified. Any and all expenses for which the Advisor is entitled to reimbursement in accordance with Appendix A attached hereto shall become due and payable at the end of each calendar quarter in which such expenses are incurred.

7. This Agreement shall remain in effect until September 30, 2018, with the option of the Investor to extend this Agreement in two year increments thereafter. Provided, however, the Investor or Advisor may terminate this Agreement upon thirty (30) days written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to the Advisor for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated, all investments and/or funds held by the Advisor shall be returned to the Investor as soon as practicable. In addition, the parties hereto agree that upon termination

of this Agreement the Advisor shall have no continuing obligation to the Investor regarding the investment of funds or performing any other services contemplated herein.

8. The Advisor reserves the right to offer and perform these and other services for various other clients. The Investor agrees that the Advisor may give advice and take action with respect to any of its other clients, which may differ from advice given to the Investor. The Investor agrees to coordinate with and avoid undue demands upon the Advisor to prevent conflicts with the performance of the Advisor towards its other clients.

9. The Advisor shall not assign this Agreement without the express written consent of the Investor.

10. The Investor acknowledges that:

1) _____ Investor was provided a written copy of Form ADV Part 2 not less than 48 hours prior to entering into this written contract, or

2) _____ Investor received a written copy of Form ADV Part 2 at the time of entering into this contract and has the right to terminate this contract without penalty within five business days after entering into this contract.

3) __X__ Investor is renewing an expiring contract and has received in the past, and offered annually, a written copy of Form ADV Part 2.

When accepted by the Investor, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Investor and Advisor for the purposes and the consideration herein specified.

Respectfully submitted,

Richard G. Long, Jr.
Manager, Valley View Consulting, L.L.C.

This agreement is hereby agreed to and executed on behalf of the City of Sachse, Texas.

By: _____

Title: _____

Date: _____

APPENDIX A

REQUESTED SERVICES, FEE SCHEDULE AND EXPENSE ITEMS

In consideration for these services, an annual fee equal to 0.08% (.0008) of the investment portfolio's average book value. Said fee shall be due and payable at the end of each investment quarter.

In the event a flexible repurchase agreement or other similar investment option is utilized, the Advisor shall receive a normal and customary fee within the guidelines of the Internal Revenue Service, in lieu of Agreement Fee.

Said fee includes all costs related to the requested services, and all travel and business expenses related to attending one onsite meeting per quarter. Travel and business expenses for special meetings or requests of the Investor will be reimbursed by the Investor to the Advisor, to the extent any such expenses have been pre-approved by the Investor. The obligation of the Advisor to pay expenses shall not include any costs incident to litigation, mandamus action, test case or other similar legal actions.

Any other services requested by the Investor will include appropriate fees and expenses as mutually agreed to by the Investor and the Advisor at the time of request.

FORM ADV Part 2 – The Brochure

Valley View Consulting, L.L.C.
2428 Carters Mill Road
Huddleston, VA 24104-4003

SEC File Number 801-56181

540.297.3419 phone
540.297.3758 fax

www.valleyviewconsultingllc.com

March 12, 2016

This brochure provides information about the qualifications and business practices of Valley View Consulting, L.L.C. If you have any questions about the contents of this brochure, please contact us at 540.297.3419. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Valley View Consulting, L.L.C. also is available on the SEC's website at www.adviserinfo.sec.gov.

This filing of Form ADV Part 2 is in conjunction with the Annual Updating Amendments requirement. Wording edits and resume additions have been incorporated. The last update to this brochure was March 7, 2015.

Valley View Consulting, L.L.C.

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Valley View Consulting, L.L.C.

Advisory Business

Valley View Consulting, L.L.C. ("Valley View") was established in 1998 and registered in 1999.

Valley View provides investment supervisory services primarily to public entities and their related organizations. Services are provided on a non-discretionary, non-custodial basis. State legislation and individual client investment policies determine authorized investments and appropriate strategies. Fixed income/fixed maturity securities, mutual funds, local government investment pools, and financial institution deposits provide the main investment options. Strategies are generally focused on safety of principal and maintenance of adequate liquidity to fund operational needs.

Each client's investment policy and cash flow requirements tailor the investment advice offered by Valley View. Clients have complete control and discretion over allowed investments and implemented strategies.

As of December 31, 2015, Valley View provided advisory services to forty-three entities with approximately $3.6 billion in total assets. Additionally, Valley View provides cash and investment consulting services to non-advisory clients.

Valley View is solely owned by Richard G. Long, Jr.

Fees and Compensation

Investment supervisory fees can be a percentage of assets under management, hourly rates, fixed fees, or a combination of these. All fees are negotiable, and direct-billed and payable in arrears. Fees structures generally range from 0.01% to 0.30%, annually, based on the book value of assets under management; $150.00 to $750.00 per hour; $500.00 to $25,000.00 per project; $800.00 to $3,000.00 per day; $150.00 to $500.00 per month; $400.00 to $1,000.00 per transaction; or other fees as negotiated at the time of contract. In some cases, a minimum annual fee may apply. Contracts are cancelable without cause with 30 day notice. Clients maintain their own safekeeping agent/custodian relationships and are responsible for any related fees. Local government investment pools and mutual funds are subject to their own fee schedules. Recommended mutual funds have been, and are anticipated to be, no-load. Valley View assists each client in minimizing transactional expenses or any other normal business expenses that might be incurred in the management of its funds.

In the event that a flexible repurchase agreement or other structured investment option is utilized for bond proceeds, Valley View may receive a normal and customary fee (usually paid by the counterparty) within the guidelines of the Internal Revenue Service, in lieu of the fee prescribed in the advisor agreement.

Although no other forms of compensation are anticipated, if any additional compensation is received, the amount and source will be disclosed to the client.

Performance-Based Fees and Side-By-Side Management

Valley View does not charge any performance-based fees nor participate in side-by-side management.

Valley View Consulting, L.L.C.

Types of Clients

Valley View generally provides investment advice to "government entity" investors, including, but not limited to: state agencies, cities, counties, school districts, special districts, colleges and universities, and special authorities. Additionally, Valley View provides advice to clients on matters not directly involving investing.

Valley View does not impose a minimum dollar value of assets for starting or maintaining a relationship.

Methods of Analysis, Investment Strategies and Risk of Loss

Each client's investment policy governs investment strategy selection and implementation, with most client investment objectives focused on preservation of principal and maintenance of adequate liquidity to fund ongoing operations. Selecting investments with limited credit risk and matching short and long-term maturity purchases to client-based cash needs primarily manage the risk of realized loss. Most investments are cash equivalent or fixed income/fixed maturity that are held to maturity.

Depending upon investment and strategy selection, each client may risk loss of principal or anticipated earnings due to issuer default or adverse market movement.

Valley View most often offers advice on: money market instruments, certificates of deposit and other financial institution deposits, municipal securities, mutual fund shares, United States government securities, repurchase agreements, and local government investment pools. Valley View's analysis includes fundamental, cyclical, and client-based cash flow requirements. Information sources include financial newspapers and magazines, research material prepared by others, corporate rating services, annual reports, prospectuses, regulatory filings, and other financial information sources.

Credit Risk – Most government entities specifically manage and restrict the exposure to credit risk. Assuming large amounts of credit risk is inconsistent with the main objectives to "primarily emphasize safety of principal and liquidity." All issuers contain incremental credit risk, although the markets believe certain ones have little to no real credit risk (e.g. U.S. government securities). Generally, legislation does allow specific issuer-types with true credit risk, but restricts that risk based on measurements of nationally recognized credit rating agencies.

Credit risk considerations extend beyond the investments that are selected to be included in the organization's portfolio. Properly collateralized deposits or repurchase agreements, secured in accordance with the investment policy and federal banking regulations, essentially reduce the inherent credit risk of the financial institution or counterparty. Periodic review of collateral values and financial institution strength ensures that any exposure remains minimal.

Prior to investment, accurate identification of the individual issuer's risk profile or the local government investment pool/mutual fund's investment criteria, and analysis of the historical risk/return relationship determines if the client will potentially receive adequate return for any increased risk. Although minimum credit rating requirements may apply, the investment policies and strategies of available pools/funds are reviewed to ensure that their policies are congruent with those of the client.

Market/Opportunity Risk – With credit risk restrictions in most client investment policies, portfolio management focuses on controlling market risk and opportunity risk. Working with the yield curve, issuer yield spreads, and cash flow requirements addresses these two risks.

Appropriate yield curve positioning, with limited interest rate cycle timing, provides yield enhancement through a disciplined investment strategy. Valley View services include the research and analysis necessary to assist the client in formulating and implementing a disciplined approach to manage market and opportunity risk. Cash flow predictability creates the strategy baseline. Keeping current-use funds in expenditure-related maturities or cash-equivalent alternatives, while positioning stable and longer range funds further out the yield curve, provides overall portfolio enhancement.

For government entities, the higher yield advantage of extended maturities most safely manifests itself in increased interest earnings (not speculative gains). Therefore, a hold-to-maturity strategy is primarily utilized.

Disciplinary Information

Valley View attempts to comply with all registration requirements and has not experienced any legal or disciplinary event that is material to a client's evaluation of its advisory business or to the integrity of its management personnel.

Other Financial Industry Activities and Affiliations

Valley View is not affiliated with any other financial institution and no related person is a general partner in any partnership in which clients are solicited to invest. There are no registrations, current or pending, for either the firm or its management personnel to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person to the forgoing entities.

Two Valley View team members individually hold positions that provide continuing education services through the University of North Texas (see attached resumes).

Any and all investment advice and security transactions are separately handled and are not subject to any commingling or front loading. Except as described above, Valley View is not compensated by any investment provider or investment manager.

Valley View is actively engaged in business other than giving investment advice, and anticipates spending less than 50% of its resources pursuing and providing non-investment advisory services. Other activities include, but are not limited to: bank service analysis and provider selection, cash and investment management policies and procedures creation and revision, government entity investment continuing education, and other finance-related services.

Code of Ethics, Privacy Policy, Participation or Interest in Client Transactions, and Personal Trading

Valley View maintains a Code of Ethics that is available upon request to its clients. The Code is designed to prevent client-based conflicts of interest and attempts to comply with applicable laws and regulations.

Valley View advises governmental entities subject to various open records requirements. Therefore most, if not all, client information is considered public. If Valley View and its advisory personnel do have access to non-public information, Valley View pledges its best efforts to not disclose the information without the prior written client approval and to destroy any discarded files (e.g. shredding).

As a firm, Valley View does not participate in, nor have an interest in, investments that may be recommended to clients or resulting client transactions. However, the team members are allowed to purchase similar investments for his or her personal account and related accounts. The team member is not allowed to commingle or execute in front of client transactions.

To further reduce any conflict of interest, individual Valley View team members primarily invest in "non-reportable securities" or securities not eligible for client portfolios.

Brokerage Practices

Specific client consent is required to determine the investments to be bought or sold, the amount of the investments to be bought or sold, the broker-dealer or financial institution to be used, or the commission rates to be paid (where applicable). In most cases, the client authorizes and annually re-approves a broker-dealer list. Valley View may assist clients in selecting broker-dealers based on the firm and representative's public funds experience, compliance with client investment policies, competitive pricing, and responsiveness to client needs. Valley View does receive "general" market research from investment providers, however no products, services, or soft dollar benefits are provided to Valley View. Eligible securities are usually sold by each broker-dealer "as principal" without additional commissions. Multiple client transactions are not aggregated as each client has specific needs and settlement requirements. Given the commonality of most investment options, not aggregating generally does not result in higher commissions or costs.

Review of Accounts

At relationship initiation, Valley View reviews each client's investment policy, eligible investment products, current investment practices, cash flow requirements, recent investment reports, authorized broker-dealer and investment provider lists, and other pertinent documentation. Investment maturities, significant cash inflows and/or outflows, bond issuance, quarter-end, fiscal year-end, major market movements, and other factors trigger periodic reviews. Ongoing reviews include current portfolio, projected cash flows, investment policy requirements, investment strategy targets, market conditions, and other considerations.

As Chief Investment Officer, Mr. Long performs the investment supervisory function and reviews all accounts. Ms. Anderson, Mr. Day, Mr. Koch, and Mr. Ross assist in all aspects of client service as registered investment adviser representatives. Mr. Phifer focuses on monthly accounting and quarterly investment reports. Until registered, Ms. Upshaw and Ms. Gerhardt assist with all non-advisory services as needed.

Client reports include, but are not limited to:

- Individual transaction information (at time of transaction).

- Broker-dealer trade and financial institution deposit confirmations and activity reports sent directly to the client by the respective firm.
- Safekeeping agent/custodian clearance receipts and holdings reports sent directly to the client.
- Written portfolio reports, prepared as per each client's investment policy and contract terms.

Fixed income security "Fair Value" is provided by client-specific safekeeping agents/custodians, by generally available market prices, or determined by reviewing generally available offering prices and decreasing the price by an appropriate bid/offer spread.

Client Referrals and Other Compensation

Valley View does not have any arrangements where it receives cash or other economic benefit from a non-client in connection with giving advice to clients. Valley View formerly assisted Estrada Hinojosa & Company, Inc. in operating its investment advisory services. Estrada Hinojosa has subsequently exited the investment advisory business and most of its former clients migrated to Valley View. The Estrada Hinojosa/Valley View client transition agreement provides for fee sharing from Valley View to Estrada Hinojosa. Additional fee sharing may apply to future, new client referrals. The arrangement and potential compensation are disclosed to each potential client prior to contract initiation, and on an ongoing basis thereafter.

Custody

Valley View does not have custody of client funds.

Investment Discretion

Valley View does not have investment discretion over client funds. Any and all investment advice and investment transactions are separately handled and are not subject to any commingling or front loading.

Voting Client Securities

Valley View does not vote client proxies. Each client's safekeeping agent/custodian is responsible for communicating any and all proxy events.

Financial Information

Valley View does not have discretion over investment transactions, custody of client funds, or require payment of more than $1,200 in fees per client, six or more months in advance. Audited financial statements are not available.

Valley View Consulting, L.L.C.

Résumés

Richard G. Long, Jr.

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Manager, Valley View Consulting, L.L.C.
- Investment industry since 1981
- Founded Valley View Consulting, L.L.C. and registered with the SEC as an investment advisory firm
- University of North Texas – Center for Public Management staff

Mr. Long's background includes extensive public entity investment management. He has been actively involved in government entity investment legislation; investment policies and strategies; cash flow-based investment portfolios; eligible investment options; appropriate asset allocations; investment transaction settlement and safekeeping procedures; bank service agreements; and arbitrage rebate regulation.

Mr. Long founded Valley View Consulting, L.L.C., in the fall of 1998 and became registered with the Securities and Exchange Commission as an investment adviser firm effective January 1999. Since 1988, Mr. Long has primarily provided cash and investment-related services to government entities. In earlier capacities, Mr. Long originated corporate, asset backed and tax-exempt securities, managed a government trading operation, and distributed both public and private securities.

Mr. Long earned a Bachelor of Science, Business Administration degree in Finance from Colorado State University and a Masters of Business Administration degree from the University of Dallas. Mr. Long provides continuing education classes through the University of North Texas and has presented information to multiple investment management organizations.

Susan K. Anderson

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Chief Executive Officer, Anderson Financial Management, L.L.C.
- Investing Public Funds since 1981
- Former City of Austin, Texas Treasurer & Investment Officer
- Served as Chief Investment Officer for State of Texas
- University of North Texas – Center for Public Management staff

Ms. Anderson has extensive public fund experience, beginning in 1971 with her first government position at the City of Austin. Ms. Anderson served the City in the Financial Services Division for over twenty-five years. The last twenty years were specifically dedicated to the management of the investment, debt and cash resources of the City. As Treasurer of the City of Austin, she was responsible for the $1.5 billion investment portfolio, the $3.3 billion debt portfolio and all cash management programs, including

collections and bank relations. Additional relevant responsibilities included serving as liaison to all three of the City's pension programs and as Trustee on the City of Austin Firemen's Relief and Retirement Fund, and Board Member of the City of Austin Deferred Compensation Fund. Investment strategies developed for City funds, pension funds and deferred compensation funds spanned the entire spectrum of public-eligible investment products, including fixed income, equity and international funds.

Following her retirement from the City of Austin, she served as Chief Investment Officer for the State of Texas where she was responsible for the management of $35 billion of combined operating, endowment and trust funds. After her public service, she joined the national financial and investment advisory firm, The PFM Group. PFM allowed Ms. Anderson to be exposed to a myriad of government clients with unique needs and requirements and to hone her skills to identify problems and find the appropriate solutions for her clients.

Ms. Anderson earned a Bachelor of Science, Business Administration degree in Finance from St. Edward's University. She is a Certified Cash Manager and a registered investment advisor representative.

Ms. Anderson founded Anderson Financial Management, L.L.C. in 2008 and has partnered with Valley View to bring her expertise to the Valley View team. Ms. Anderson provides continuing education classes through the University of North Texas and has presented information to multiple investment management organizations.

William J. Koch

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- President, Avalon Financial Services
- Public-sector consulting since 1990
- Over forty years financial management experience
- Founded Avalon Financial Services in 1996

Mr. Koch is a capable and versatile financial professional with extensive management and operational credentials that include a strong background in accounting, cash management, treasury, and information systems. He has broad industry experience with both publicly traded and privately held firms, including international market activities and public sector organizations. His career has included management positions with Fortune magazine ranked firms in which he was responsible for accounting and financial reporting, treasury, and information services.

Since 1990, Mr. Koch has been a management consultant providing specialized financial services primarily to public sector organizations, including municipalities, school districts, colleges, hospital districts, and regional transportation authorities. With proven financial expertise, solidly versed in statutes and legal requirements, and extensive

knowledge of banking systems and services, he has a unique blend of capabilities to offer his clients.

Mr. Koch is a registered investment adviser representative.

Formerly a partner with a regional consulting group, Mr. Koch founded Avalon Financial Services in 1996 and serves as its president. Mr. Koch is a graduate of Texas A&M University.

Mr. Koch retired from full-time service December 2015, but continues to assist selectively.

Thomas H. Ross

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Retired City of Bedford, Texas Director of Administrative Services
- Twenty years public-sector experience
- Lengthy corporate finance and accounting career

Mr. Ross has a background in financial operations and information technology management and most recently completed fourteen years of service with the City of Bedford, Texas, retiring as Director of Administrative Services. Joining the team in February 2010, Mr. Ross brings a broad and unique client operations perspective to the areas of cash management, governmental accounting, banking relations, management reporting, portfolio management, and general financial analysis, all of which impact the successful execution of a client's investment program.

Mr. Ross is a member of the Government Finance Officers Association of Texas (GFOAT), where he earned the designation of Certified Government Finance Officer (CGFO), and the Government Treasurer's Organization of Texas (GTOT).

Mr. Ross is a registered investment adviser representative.

Mr. Ross is a graduate of Texas A&M University with a Bachelor of Business Administration degree in Management.

Benjamin F. Day

- Registered Investment Adviser Representative, Valley View Consulting, L.L.C.
- Investment industry since 1984
- Diversified background in sales and trading
- Extensive client-based risk/return analysis experience

Mr. Day first entered the securities industry in 1984 and has sales and trading desk experience in equity, matched book and fixed income investments. His various positions with large and regional investment-related firms developed a knowledgeable assessment

of the major market rallies and melt downs of the last thirty years. This background enhances his outlook regarding portfolio risk/reward and client expectation. He has over fifteen years' experience in developing and delivering investment portfolio management seminars.

Mr. Day is a registered investment adviser representative.

Mr. Day is a graduate of Northwood University with a Bachelor of Business Administration degree.

Johnny L. Phifer

- Retired City of Keller, Texas Finance Director
- Thirty years public-sector experience
- Lengthy finance and accounting career

Mr. Phifer joined Valley View in January 2015. Having recently retired as Finance Director for the City of Keller, Mr. Phifer brings with him a wealth of knowledge and experience attained during a career of over thirty years of public-sector experience. Mr. Phifer also brings a comprehensive and distinctive client operations perspective to the Valley View practice in the areas of cash management, governmental accounting and financial reporting, banking relations, management reporting, portfolio/treasury management, financial analysis and financial and budget administration.

Mr. Phifer is a member of the Government Finance Officers Association of Texas (GFOAT), where he earned the designation of Certified Government Finance Officer (CGFO), and the Government Treasurer's Organization of Texas (GTOT).

Mr. Phifer is a graduate of The University of North Alabama with a Bachelor of Science in Accounting.

Emily A. Upshaw, CPA

- Accounting, client service and transaction facilitation background
- Market analysis, trading and funds management experience
- Newest Valley View team member
- Chief Executive Officer, Live Oak Portfolios, L.L.C.

Ms. Upshaw is the newest team member to Valley View, joining in February 2016. She is a graduate of the University of Texas at Austin with a Bachelor of Business Administration and a Master in Professional Accounting from the McCombs School of Business.

Ms. Upshaw began her career in taxation with Ernst & Young in Austin, Texas where she completed her CPA designation. With an interest in investment management, she then worked as an associate of Employee Incentive Plans in charge of various client services

and transactions. There she expanded her knowledge of market analysis, trading and fund management for individual client accounts and business qualified retirement accounts in the central Texas area.

Julie S. Gerhardt

- Investment industry since 1993
- Responsible for administration, marketing and organizational issues
- Experienced in customer support and reporting

Ms. Gerhardt is primarily responsible for administrative, marketing and organizational issues. She began her career in the financial industry in 1993 with Legg Mason Wood Walker, and then subsequently with Smith Barney. Ms. Gerhardt is an honors graduate of the University of Phoenix with a Bachelor of Science in Health Administration and Health Management. Ms. Gerhardt joined the Valley View team in 2013.

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3488	**Version:**	1	**Name:**	Annual Investment Policy Review
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	8/24/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Adopt the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy("Sachse Investment Policy") attached hereto as Exhibit "A"; declaring that the City Council has completed its review of the Investment Policy and investment strategies of the City and that Exhibit "A" records any changes to either the Investment Policy or investment strategies; providing a repealing clause; providing a severability clause; and providing for an effective date.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	10.01.2016 to 09.30.2017 Investment Policy with markup Resolution				

Date	Ver.	Action By	Action	Result

Title
Adopting the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Investment Policy("Sachse Investment Policy")

Background
The City's current Investment Policies were last reviewed, revised and approved in October 2015. In accordance with the Public Funds Investment Act (PFIA), the City's investment policies are to be reviewed on an annual basis and the City Council must approve any modifications made thereto. The purpose of this agenda item is to present staff recommendations for changes to policy and to comply with the annual review provision of the PFIA whereby each entity shall adopt a resolution annually attesting to an annual review.

Appendix A. Authorized Broker/Dealer Firms. Reflect firm relocations and updates.

Policy Considerations
The recommended policy for adoption is in compliance with the Public Funds Investment Act (PFIA).

Budgetary Considerations
None.

Staff Recommendations
Approve a resolution adopting the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Fund Investment Policy ("Sachse Investment Policy") attached hereto as Exhibit "A"; declaring that the City Council has completed its review of the Investment Policy and investment strategies of the City and that Exhibit

"A" records any changes to either the Investment Policy or investment strategies; providing a repealing clause; providing a severability clause; and providing for an effective.

CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND
INVESTMENT POLICY

I. Policy

Throughout this Investment Policy, the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Fund shall be singularly referred to as "ENTITY" and collectively referred to as "SACHSE."

It is the policy of SACHSE to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of SACHSE and conforming to the Public Funds Investment Act ("PFIA"), Chapter 2256 of the Texas Government Code, and all other State and local statutes governing the investment of public funds.

II. Scope

This Investment Policy applies to all funds or financial resources available for investment under SACHSE's financial control and accounted for in the City of Sachse's Comprehensive Annual Financial Report (CAFR) which includes the General Fund, Debt Service Fund, Special Revenue Fund, Capital Projects Fund, Water and Sewer Enterprise Fund, Sachse Economic Development Corporation Fund, President George Bush Turnpike Reinvestment Zone Tax Increment Fund, and any new fund created by SACHSE unless specifically exempt.

To maximize the effective investment of assets, all funds may pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officers, acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviation from expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments.

IV. Objective

The primary objectives, in priority order, of SACHSE investment activities shall be:

A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of SACHSE shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

B. **Liquidity:** The SACHSE investment portfolio will remain sufficiently liquid to enable SACHSE to meet all operating requirements which might be reasonably anticipated.

C. **Public Trust:** Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in SACHSE's ability to govern effectively.

D. **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

V. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Director of Finance and the Finance Manager of the City of Sachse (the "Investment Officers"). The Director of Finance shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Director of Finance. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

VI. Ethics and Conflicts of Interest

Investment Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officers shall disclose to SACHSE any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of SACHSE, particularly with regard to the time of purchases and sales.

Investment Officers involved in the investment process shall adhere to the business relationship and other disclosure requirements as described in the PFIA 2256.005(i) by filing statements with the Texas Ethics Commission and each ENTITY's governing body.

VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be annually approved by the City Council (Appendix A). These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of Financial Industry Regulatory Authority (FINRA) certification, trading resolution, and/or proof of State registration, as applicable.

It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions.

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal. In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk. In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies.

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays. Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows.

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate.

Whenever practical or appropriate, it is the policy of SACHSE to diversity its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment.

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that

these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions; however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:

1. General Fund
2. Debt Service Fund
3. Special Revenue Fund
4. Capital Projects Fund
5. Sachse Economic Development Corporation Fund
6. President George Bush Reinvestment Zone Tax Increment Fund

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

B. Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. The projects may require investments with short to intermediate maturities.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

C The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments.

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

D. Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following:

A. Obligations of, or guaranteed by, governmental entities:

1. obligations of the United States or its agencies and instrumentalities;

2. direct obligations of this State or its agencies and instrumentalities;

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

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

B. Financial Institution Deposits: A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is:

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

2. secured by obligations that are described in Section XII Collateralization; and

3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA.

C. Repurchase Agreements:

1. A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:

   (a) has a defined termination date;

   (b) is secured by cash or obligations described by Section IX.A1;

   (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE; and

   (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.

2. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section

IX.A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

D. Mutual Funds:

1. A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund:

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

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

   (c) has a dollar-weighted average stated maturity incompliance with regulations;

   (d) includes in its investment objectives the maintenance of a stable net asset value of $1 for each share; and

   (e) is continuously rated no lower than AAAm or at an equivalent rating by one nationally recognized rating service.

2. SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

E. Investment Pools:

1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA 2256.016.

2. To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information:

   (a) the types of investments in which money is allowed to be invested;

   (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

   (c) the maximum stated maturity date any investment security within the portfolio has;

(d) the objectives of the pool;

(e) the size of the pool;

(f) the names of the members of the advisory board of the pool and the dates their terms expire;

(g) the custodian bank that will safekeep the pool's assets;

(h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;

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

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

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

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

3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity:

(a) investment transaction confirmations; and

(b) a monthly report that contains, as a minimum, the following information:

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

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

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

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

(5) the size of the pool;

(6) the number of participants in the pool;

(7) the custodian bank that is safekeeping the assets in the pool;

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

(9) the yield and expense ratio of the pool;

(10) the portfolio managers of the pool; and

(11) any changes or addenda to the offering circular.

4. SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

5. Investment Pool "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.

6. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a $1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

7. An Investment pool must have an advisory board composed:

(a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency; or

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

8. A public funds investment pool must be continuously rated no lower than AAA or AAAm or at an equivalent rating by one nationally recognized rating service.

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

10. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an

annual audited financial statement of the investment pool in which the entity has funds invested.

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

X. Unauthorized Investments

The following are not authorized investments under this section:

A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; and

C. Collateralized mortgage obligations.

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase.

XI. Depository

In compliance with State legislation, a primary Depository shall be selected through SACHSE'S banking services procurement process, which shall include a formal request for application (RFA). In selecting a depository the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history.

No public deposit shall be made except in a qualified public depository as established by State laws.

XII. Collateralization

Collateralization will be required on two types of investments: financial institution deposits (in amounts exceeding F.D.I.C. insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less F.D.I.C. insurance when applicable.

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in the Public Funds Collateral Act.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. SACHSE reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE. The collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

Securities pledged as collateral shall be held by an independent third party with whom SACHSE has a custodial agreement. The agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in an account in SACHSE's name by a third party safekeeping agent/custodian designated by the Investment Officers and evidenced by safekeeping receipts.

XIV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XV. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVI. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total

portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer-dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XIX. Reporting

A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.

B. The report must include the following:

1. describe in detail the investment position of SACHSE on the date of the report;

2. be prepared jointly by all Investment Officers of SACHSE;

3. be signed by each Investment Officer of SACHSE;

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

   (a) beginning market value for the reporting period;

   (b) ending market value for the period; and

   (c) fully accrued interest for the period.

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

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

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

8. state the compliance of the Investment Portfolio of the local government as it relates to:

   (a) the Investment Strategy expressed in SACHSE's Investment Policy; and

   (b) relevant provisions of the PFIA.

C. The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period.

D. The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

XX. Investment Policy Adoption

SACHSE's Investment Policy shall be adopted by resolution of each ENTITY's governing body. This Policy shall be reviewed annually and any modifications made thereto must be approved by each ENTITY's governing body. Each ENTITY's governing body shall adopt a written instrument attesting to each annual review.

XXI. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA compliance. SACHSE approves the Government Finance Officers' Association, Government Finance Officers' Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend training accumulating at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 8 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

XXIII. Donated Investments

This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor.

XXIV. Investment Policy Certification

The qualified representative of any business organization (including but not limited to: investment pool, financial institution, broker/dealer) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 3rd~~5th~~ day of October, 201~~6~~5.

_____
Mayor
City of Sachse, Texas

ATTEST:

_____
City Secretary
City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation**,** Texas this _____ day of _____, 201~~6~~5.

_____
President
Sachse Economic Development Corporation

ATTEST:

_____
Executive Director
Sachse Economic Development Corporation

Acknowledged by the President George Bush Turnpike Reinvestment Zone Tax Increment Fund**,** Texas this _____ day of _____, 2016~~5~~.

_____
President
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

ATTEST:

_____
Board Secretary
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Appendix A
Authorized Broker/Dealer Firms

Coastal Securities
~~Credit Suisse~~Hilltop Securities
Oppenheimer
Raymond James
Wells Fargo

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, ADOPTING THE CITY OF SACHSE, SACHSE ECONOMIC DEVELOPMENT CORPORATION, AND PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND INVESTMENT POLICY ("SACHSE INVESTMENT POLICY") ATTACHED HERETO AS EXHIBIT "A"; DECLARING THAT THE CITY COUNCIL HAS COMPLETED ITS REVIEW OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE CITY AND THAT EXHIBIT "A" RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE, the City Council of the City of Sachse, Texas by resolution adopted an investment policy; and

WHEREAS, Section 2256.005, Tex. Gov't Code requires the City Council to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACHSE, TEXAS, THAT:

SECTION 1. The Sachse Investment Policy, attached hereto as Exhibit "A" be and the same is hereby adopted and shall govern the investment policies and investment strategies for the City, and shall define the authority of the investment official of the City from and after the effective date of this Resolution.

SECTION 2. That the City Council of the City of Sachse has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit "A" hereto.

SECTION 3. That all provisions of the Resolutions of the City of Sachse, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions of the Resolutions of the City not in conflict with the provisions of this resolution shall remain in full force and effect.

SECTION 4. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution, which shall remain in full force and effect.

SECTION 5. That this Resolution shall become effective immediately from and after its passage.

SECTION 6. This Resolution shall take effect immediately from and after its passage, and it is accordingly so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Sachse, Texas, this the 3rd day of October, 2016.

CITY OF SACHSE, TEXAS

_____
Mike Felix, Mayor

ATTEST:

_____
Michelle Lewis-Siranni, City Secretary

Exhibit "A"
CITY OF SACHSE
SACHSE ECONOMIC DEVELOPMENT CORPORATION
PRESIDENT GEORGE BUSH TURNPIKE REINVESTMENT ZONE TAX INCREMENT FUND
INVESTMENT POLICY

I. Policy

Throughout this Investment Policy, the City of Sachse, Sachse Economic Development Corporation, and President George Bush Turnpike Reinvestment Zone Tax Increment Fund shall be singularly referred to as "ENTITY" and collectively referred to as "SACHSE."

It is the policy of SACHSE to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of SACHSE and conforming to the Public Funds Investment Act ("PFIA"), Chapter 2256 of the Texas Government Code, and all other State and local statutes governing the investment of public funds.

II. Scope

This Investment Policy applies to all funds or financial resources available for investment under SACHSE's financial control and accounted for in the City of Sachse's Comprehensive Annual Financial Report (CAFR) which includes the General Fund, Debt Service Fund, Special Revenue Fund, Capital Projects Fund, Water and Sewer Enterprise Fund, Sachse Economic Development Corporation Fund, President George Bush Turnpike Reinvestment Zone Tax Increment Fund, and any new fund created by SACHSE unless specifically exempt.

To maximize the effective investment of assets, all funds may pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officers, acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviation from

expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments.

IV. Objective

The primary objectives, in priority order, of SACHSE investment activities shall be:

A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of SACHSE shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

B. **Liquidity:** The SACHSE investment portfolio will remain sufficiently liquid to enable SACHSE to meet all operating requirements which might be reasonably anticipated.

C. **Public Trust:** Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in SACHSE's ability to govern effectively.

D. **Return on Investments:** SACHSE's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with SACHSE's investment risk constraints and the cash flow characteristics of the portfolio.

V. Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Director of Finance and the Finance Manager of the City of Sachse (the "Investment Officers"). The Director of Finance shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Director of Finance. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

VI. Ethics and Conflicts of Interest

Investment Officers involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officers shall disclose to SACHSE any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large

personal financial/investment positions that could be related to the performance of SACHSE, particularly with regard to the time of purchases and sales.

Investment Officers involved in the investment process shall adhere to the business relationship and other disclosure requirements as described in the PFIA 2256.005(i) by filing statements with the Texas Ethics Commission and each ENTITY's governing body.

VII. Authorized Broker/Dealers

The list of authorized broker/dealers shall be annually approved by the City Council (Appendix A). These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of Financial Industry Regulatory Authority (FINRA) certification, trading resolution, and/or proof of State registration, as applicable.

It is at the discretion of the Investment Officer as to which authorized broker/dealer shall be used for any buy/sell transactions.

VIII. Investment Strategy

SACHSE's basic investment strategy for all financial assets is to preserve principal. In order to achieve that objective, SACHSE restricts the authorized investment instruments to those with suitable and limited credit and market risk. In order to make effective use of SACHSE's resources, all monies may be pooled into one portfolio, if practical, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, ordinances, contracts, agreements, or other policies.

The objective of liquidity stems from the need of SACHSE to maintain available cash balances sufficient to cover financial outlays. Since the timing and amount of some financial disbursements are not predictable, fund-type strategies shall adjust for the uncertainty of projected cash flows.

Investment marketability will be maintained based on the fund-type strategies to sufficiently and reasonably assure that investments could be liquidated prior to the maturity, if cash needs dictate.

Whenever practical or appropriate, it is the policy of SACHSE to diversity its investment portfolio. Assets held in the investment portfolio may be diversified to minimize the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of investment.

SACHSE funds shall seek to achieve a competitive yield appropriate for each strategy. Yield objectives shall at all times be subordinate to the objectives of safety and liquidity. Tax-exempt debt proceeds shall be invested to maximize the interest earnings retained by SACHSE, while at the same time fully complying with all applicable State laws and federal regulations, including the arbitrage rebate regulations. A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

The overall investment strategy of SACHSE is based on the premise that a certain amount of SACHSE's funds will be needed to pay current year expenditures or for projects that are to be complete within a specific time frame. Remaining funds are considered to be reserves and, barring any unforeseen emergencies or events beyond SACHSE's control, it is considered that these funds may be invested, within the maturity limits of this Policy, in an advantageous position on the yield curve. It is understood that investments in longer term instruments are sensitive to changes in interest rates and other market conditions; however, it is SACHSE's belief that such investments may be held to maturity if necessary.

SACHSE may maintain one portfolio in which all funds under its control are pooled for investment purposes. Within the pooled portfolio are fund components, each having an investment strategy as described below:

A. Governmental Funds – the funds through which most governmental functions are financed and the primary operating funds of SACHSE. The investment strategy must allow for the investment of anticipated cash flows to meet the anticipated expenditures of the following funds:

1. General Fund
2. Debt Service Fund
3. Special Revenue Fund
4. Capital Projects Fund
5. Sachse Economic Development Corporation Fund
6. President George Bush Reinvestment Zone Tax Increment Fund

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

B. Proprietary Funds - the funds used in SACHSE's business-type activities or Enterprise activities financed primarily by user charges and fees. The strategy for these funds is to time investment maturities to anticipated cash requirements. The projects may require investments with short to intermediate maturities.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

C The Debt Service and Interest/Sinking Funds should consist of short-term investments, whose maturities meet the scheduled debt service payments. Reserves may be invested in longer-term investments.

The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

D. Special Revenue Fund and other Non-operating Funds investments should be in short-term instruments with maturities laddered to meet projected cash needs. Reserves are idle funds that may be invested in intermediate to long-term investments after analysis of future plans for use of the funds.

The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

IX. Authorized & Suitable Investments

SACHSE is empowered by statute to invest in the following:

A. Obligations of, or guaranteed by, governmental entities:

1. obligations of the United States or its agencies and instrumentalities;

2. direct obligations of this State or its agencies and instrumentalities;

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

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

B. Financial Institution Deposits: A financial institution deposit is an authorized investment under this Policy if the deposit is with a state or national bank, a savings and loan association, or credit union that is:

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

2. secured by obligations that are described in Section XII Collateralization; and

3. executed through a depository institution or broker that has its main office or a branch office in Texas and meets the requirements of the PFIA.

C. Repurchase Agreements:

1. A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:

   (a) has a defined termination date;

   (b) is secured by cash or obligations described by Section IX.A1;

   (c) requires the cash or securities being purchased by SACHSE to be delivered versus payment to SACHSE, held in SACHSE's account with a third party selected and approved by SACHSE; and

   (d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this State.

2. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations described by Section IX.A1 at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed.

D. Mutual Funds:

1. A no-load money market mutual fund is an authorized investment under this Policy if the mutual fund:

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

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

   (c) has a dollar-weighted average stated maturity incompliance with regulations;

   (d) includes in its investment objectives the maintenance of a stable net asset value of $1 for each share; and

   (e) is continuously rated no lower than AAAm or at an equivalent rating by one nationally recognized rating service.

2. SACHSE is not authorized by this section to invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

E. Investment Pools:

1. SACHSE may invest its funds and funds under its control through an eligible investment pool if each ENTITY's governing body by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the PFIA 2256.016.

2. To be eligible to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, an investment pool must furnish to the Investment Officers or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains at a minimum, the following information:

   (a) the types of investments in which money is allowed to be invested;

   (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

   (c) the maximum stated maturity date any investment security within the portfolio has;

   (d) the objectives of the pool;

   (e) the size of the pool;

   (f) the names of the members of the advisory board of the pool and the dates their terms expire;

   (g) the custodian bank that will safekeep the pool's assets;

   (h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;

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

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

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

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

3. To maintain eligibility to receive funds from and invest funds on behalf of an entity under the PFIA 2256.016, at a minimum an investment pool must furnish to the Investment Officer or other authorized representative of the entity:

(a) investment transaction confirmations; and

(b) a monthly report that contains, as a minimum, the following information:

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

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

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

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

(5) the size of the pool;

(6) the number of participants in the pool;

(7) the custodian bank that is safekeeping the assets in the pool;

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

(9) the yield and expense ratio of the pool;

(10) the portfolio managers of the pool; and

(11) any changes or addenda to the offering circular.

4. SACHSE, by contract, may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

5. Investment Pool “yield” shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.

6. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a $1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

7. An Investment pool must have an advisory board composed:

   (a) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for pools created under Chapter 791 Texas State Code and managed by a state agency; or

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

8. A public funds investment pool must be continuously rated no lower than AAA or AAAm or at an equivalent rating by one nationally recognized rating service.

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

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

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

X. Unauthorized Investments

The following are not authorized investments under this section:

A. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

B. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; and

C. Collateralized mortgage obligations.

Any Authorized & Suitable Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. SACHSE shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. Additionally, SACHSE is not required to liquidate investments that were authorized at the time of purchase.

XI. Depository

In compliance with State legislation, a primary Depository shall be selected through SACHSE'S banking services procurement process, which shall include a formal request for application (RFA). In selecting a depository the Director of Finance shall conduct a review of prospective depository's credit characteristics and financial history.

No public deposit shall be made except in a qualified public depository as established by State laws.

XII. Collateralization

Collateralization will be required on two types of investments: financial institution deposits (in amounts exceeding F.D.I.C. insurance coverage) and repurchase agreements. With the exception of Letters of Credit issued for 100% of amount, the minimum collateralization level will be 102% of market value of principal and accrued interest, less F.D.I.C. insurance when applicable.

SACHSE chooses to limit collateral (including letters of credit) to the obligations of, or guaranteed by, governmental entities as outlined in the Public Funds Collateral Act.

All financial institution deposits shall be insured or collateralized in compliance with applicable State law. SACHSE reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Financial institutions serving as depositories will be required to sign a depository agreement with SACHSE. The collateralized deposit portion of the agreement shall define SACHSE's rights to the collateral in case of default, bankruptcy, or closing and

shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and SACHSE contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to SACHSE; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

Securities pledged as collateral shall be held by an independent third party with whom SACHSE has a custodial agreement. The agreement is to specify the acceptable investment securities as collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities at default, and the method of valuation of securities.

XIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by SACHSE shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in an account in SACHSE's name by a third party safekeeping agent/custodian designated by the Investment Officers and evidenced by safekeeping receipts.

XIV. Electronic Fund Transfer

SACHSE may use electronic means to transfer or invest all funds collected or controlled by the local government.

XV. Diversification

SACHSE will diversify its investments by types, maturity dates, and/or institutions, as appropriate.

XVI. Maximum Maturities and Weighted Average Maturity

To the extent possible, SACHSE will attempt to match its anticipated cash flow requirements with maturing investments. SACHSE will not directly invest in instruments maturing more than 2 years from the date of purchase, with the maximum weighted average maturity for the total portfolio to not exceed twelve months. However, SACHSE may collateralize its repurchase agreements using longer-dated investments not to exceed 5 years to maturity.

Reserve funds may be invested in instruments up to and including 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

XVII. Internal Control

The Director of Finance shall establish an annual process of independent review by an external auditor in conjunction with the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

XVIII. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. "Weighted Average Yield to Maturity" shall be the standard for calculating portfolio rate of return.

XIX. Reporting

A. The Investment Officers shall prepare and submit quarterly a written report of investment transactions for all funds covered by this Investment Policy for the preceding reporting period.

B. The report must include the following:

1. describe in detail the investment position of SACHSE on the date of the report;

2. be prepared jointly by all Investment Officers of SACHSE;

3. be signed by each Investment Officer of SACHSE;

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

   (a) beginning market value for the reporting period;

   (b) ending market value for the period; and

   (c) fully accrued interest for the period.

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

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

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

8. state the compliance of the Investment Portfolio of the local government as it relates to:

   (a) the Investment Strategy expressed in SACHSE's Investment Policy; and

   (b) relevant provisions of the PFIA.

C. The report shall be presented not less than quarterly to each ENTITY's governing body within a reasonable time after the end of the period.

D. The market values and credit ratings presented in all portfolio reports shall be accurate and reliable estimates of the investment's true value and risk. Market value and credit rating sources may include, but are not limited to, rating agency reports, newspapers, financial websites, custodian reports, broker/dealer reports, and investment advisor research.

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XXI. Auditor

As part of the annual audit, the independent auditor must formally review the quarterly investment reports to comply with the PFIA and report the results of that review to each ENTITY's governing body.

XXII. Training

In order to ensure qualified and capable investment management, the Investment Officers, their designated subordinates, Treasurer, and Chief Financial Officer of SACHSE shall attend training that includes education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and PFIA compliance. SACHSE approves the Government Finance Officers' Association, Government Finance Officers' Association of Texas, Government Treasurers' Organization of Texas, North Central Texas Council of Governments, Texas City

Managers Association, Texas Municipal League, and University of North Texas as independent sources of training.

Each individual shall attend training accumulating at least 10 hours of instruction within twelve months of assuming investment-related responsibilities; and shall then receive not less than 8 hours of investment-related instruction within each subsequent two-year period aligned with SACHSE's fiscal year end.

XXIII. Donated Investments

This Policy does not apply to an investment donated to SACHSE for a particular purpose or under terms of use specified by the donor.

XXIV. Investment Policy Certification

The qualified representative of any business organization (including but not limited to: investment pool, financial institution, broker/dealer) offering to engage in an investment transaction must execute a written instrument substantially to the effect that the business organization has received and reviewed the Investment Policy and that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the organization and SACHSE.

PASSED AND APPROVED by the City Council of the City of Sachse, Texas this 3rd day of October, 2016.

_____
Mayor
City of Sachse, Texas

ATTEST:

_____
City Secretary
City of Sachse, Texas

Acknowledged by the Sachse Economic Development Corporation**,** Texas this _____ day of _____, 2016.

_____
President
Sachse Economic Development Corporation

ATTEST:

_____
Executive Director
Sachse Economic Development Corporation

Acknowledged by the President George Bush Turnpike Reinvestment Zone Tax Increment Fund**,** Texas this _____ day of _____, 2016.

_____
President
President George Bush Turnpike
Reinvestment Zone Tax Increment Fund

ATTEST:

_____
Board Secretary
President George Bush Turnpike Reinvestment Zone Tax Increment Fund

Appendix A

Authorized Broker/Dealer Firms

Coastal Securities

Hilltop SecuritiesOppenheimer

Raymond James

Wells Fargo

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3521	**Version:**	1	**Name:**	Sachse Historical Society Landmark Committee Book
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/22/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Recognize the Sachse Historical Society and the Landmark Committee Book.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result

Title
Sachse Historical Society Landmark Committee Book

Background
The Sachse Historical Society Landmark Committee recently researched and documented historical information on specific homes and structures in the City. Lloyd Henderson from the Sachse Historical Society will be in attendance to present the book.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Recognition - Presentation of the Sachse Historical Society Landmark Committee book.

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3526	**Version:**	1	**Name:**	Employee Recognition 4th Quarter 2016
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/27/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Recognize employees for their service to the City of Sachse.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result

Title
Recognize employees for their service to the City of Sachse.

Background

Ten Years

Brendan Kearney, Firefighter/Paramedic

John Morris, Firefighter/Paramedic

Brandon Slone, Fire Lieutenant

Employees of the Quarter

Police Officer Robert Beauchamp brought forth an idea to develop and staff a police department sponsored summer camp centered around safety and citizenship lessons for the youth of Sachse. There were four camps that ran from June through July and included age appropriate lessons regarding internet safety, stranger danger and drug abuse, while also including games, field trips and visits from other first responders, such as the Sachse Fire Department and Careflight. The camps were at full capacity and were highly successful. Way to go, Officer Beauchamp!

Library Assistant Toni Kelly was quick on her feet when faced with a dilemma during a summer reading library program. This particular program, the children's petting zoo, is historically one of the largest programs held during the summer with hundreds of children and parents lining up to see all of the pets, specifically the miniature horses. The vendor did not allow open-toed shoes, which would have prevented dozens of children from being able to participate in the animal activities. Toni put her creative hat on and first gathered up employees' shoes to loan out to children and decided to design, create and physically make shoes out of cardboard that allowed many children, and parents, to enjoy the full activities of the petting zoo.

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Both of these amazing employees demonstrated initiative, creativity and provided outstanding customer service to those they served. Thank you both for all that you do for Sachse!

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Present awards to employees.

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3531	**Version:**	1	**Name:**	Staff Update on Meter RFP
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/28/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Receive update on water meter replacement program.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Presentation				

Date	Ver.	Action By	Action	Result

Title
Meter replacement update

Background
The fiscal year 2016-2017 budget includes approximately $300,000 in funding for replacement water meters. Discussion during the budget process centered on replacing current meters that are not providing consistent radio reads with the next generation of technology that will be compatible with a fixed based reading and collection system (AMI). Staff has prepared a Request for Proposals (RFP) to solicit quotes from multiple meter manufacturers/distributors that will meet the City's needs now and in the future. Tonight's presentation summarizes the scope, purpose, and timeline of the RFP and vendor selection.

Policy Considerations
None.

Budgetary Considerations
Funding for approximately 1,000 meters and updated software was included in the 2016-2017 budget.

Staff Recommendations
This item is for information purposes only. No City Council action is required at this time.

Meter replacement update

City Council

October 3, 2016

Request for proposals

1. Project Objective
2. Evaluation of Proposals
3. Timeline

Project Objective

- Immediate replacement of meters/registers not able to furnish radio read
- Replacement meters compatible with future AMI infrastructure and current drive-by reading
- Compatible with current billing software
- Flexible phasing of future expansion based on funding

Evaluation of proposals

- Qualifications—30 points
- AMI System Capabilities—25 points
- Price—25 points
- Responsiveness—15 points
- Wireless Encoder Option—10 points
- Warranty—5 points

TIMELINE

- October 4, 2016.....RFP Notice Advertised and Distributed to Potential Vendors
- October 14, 2016.....Final Day for Inquiries and Requests for Information
- October 25, 2016.....RFP Responses due by 5:00 PM
- November 7, 2016....Vendor Selection Approved
- November 8, 2016....Notice to Proceed

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3520	**Version:**	1	**Name:**	Sachse Historical Society - Moving Vietnam Wall
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/22/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Presentation by the Sachse Historical Society regarding the Moving Vietnam Wall.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result

Title
The Moving Vietnam Wall

Background
Bobby Tillman with the Sachse Historical Society would like to seek permission from City Council to have the Moving Vietnam Wall placed on the City Hall Campus. The Sachse Historical Society will be looking to see if the wall will be available for display in November 2017. The Society would like feedback and permission to use the City Hall Campus. Staff has no objection as long as parameters can be met as outlined by The Vietnam Combat Veterans.

The Moving Wall is the half-size replica of the Washington, DC Vietnam Veterans Memorial and has been touring the country for over thirty years.

More information is available at: www.themovingwall.org

Policy Considerations
None.

Budgetary Considerations
None. Funds will be raised by the Sachse Historical Society

Staff Recommendations
Provide feedback to the Sachse Historical Society for placement of the memorial temporarily on the City Hall Campus.

City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3522	**Version:**	2	**Name:**	Police Departments 50th Anniversary Badge
Type:	Agenda Item			**Status:**	Agenda Ready
File created:	9/23/2016			**In control:**	City Council
On agenda:	10/3/2016			**Final action:**	
Title:	Presentation regarding the Police Department's 50th Anniversary Badge.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result

Title
Sachse Police Department's 50th Anniversary Badge

Background
In May 1966, the Sachse Police Department began operations with one police officer. Since then the department has grown to an authorized strength of 34 officers and 15 support staff providing diverse police services grounded in community policing and innovative service delivery to our residents.

Chief Sylvester will present a brief history of the department and the new badge to be worn by officers commemorating this milestone.

Policy Considerations
None.

Budgetary Considerations
None.

Staff Recommendations
Presentation only.

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