

## **AGENDA ITEM - C**

Community policing is a collaboration between the police and the community that identifies and solves community problems.

With the police no longer the sole guardians of law and order, all members of the community become active allies in the effort to enhance the safety and quality of neighborhoods.

Community policing recognizes the fact that most community problems can best be handled by allowing the individual officer the flexibility to "resolve" problems rather than just "clear the call".

Citizens are accountable for participating in community policing. Community policing can never be successful without participation by the community.

It is the policy of the Rhome Police Department to embrace the tenants of community policing and engage the community in a positive and trusting manner.

All employees will extend reasonable assistance to the public. Reasonable assistance means the level of assistance that call load and current demand levels would permit. Employees must not neglect community services in the belief that the police function is restricted to crime control.

The purpose of this plan is to guide personnel and to affirm the department's commitment to seek out opportunities to interact with the public and to build trusting relationships with the community.

Police Department employees shall provide reasonable assistance to all residents in need of service.

All personnel are expected to seek out opportunities to promote trust and positive dialog with the public.

All officers are expected to spend a large amount of their shift in the neighborhoods and contact anyone they see out in their yards or walking.

The Chief, Sergeant, and any other supervisory personnel shall monitor this activity including participating and riding with officers from time to time.

The Chief and/or Sergeant will review data from these processes monthly to track successes or deficiencies.

## **AGENDA ITEM - D**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING ARTICLE 11.02 “PROPERTY TAX” OF THE CODE OF ORDINANCES, CITY OF RHOME, TEXAS TO ADD A RESIDENTIAL HOMESTEAD EXEMPTION FOR PROPERTY OWNERS WHO ARE A DISABLED VETERAN OR THE SURVIVING SPOUSE OF A DECEASED VETERAN IN ACCORDANCE WITH THE TEXAS TAX CODE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PUBLICATION CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Rhome is a Type-A general law municipality located in Wise County, created in accordance with the provisions of Chapter 6 of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and

**WHEREAS**, Section 11.22 of the Texas Tax Code entitles a disabled veteran and the surviving spouse of a deceased veteran to certain exemptions from taxation of property that the veteran or the surviving spouse of a deceased veteran owns and designates in accordance with state law; and

**WHEREAS**, the City Council desires to amend Article 11.02 “Property Tax” of the Code of Ordinances of the City of Rhome in order to add a residential homestead exemption for property owners who are a disabled veteran or the surviving spouse of a deceased veteran in accordance with the Texas Tax Code; and

**WHEREAS**, the City Council finds that this ordinance is in the best interests of the citizens of the City of Rhome.

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

**SECTION 1.**

Article 11.02 “Property Tax” of the Code of Ordinances, City of Rhome, Texas is hereby amended to add Sec. 11.02.007 “Disabled Veteran Exemption” to read as follows:

**Sec. 11.02.007 Disabled Veteran Exemption**

A disabled veteran and the surviving spouse of a deceased veteran shall be entitled to an exemption from taxation by the City of Rhome of a portion of the assessed value of property the disabled veteran or the surviving spouse of a deceased veteran owns and designates as provided in Section 11.22 of the Texas Tax Code.

## **SECTION 2.**

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

## **SECTION 3.**

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be guilty of a misdemeanor and, upon conviction, shall be fined an amount not to exceed \$2,000.00. Each day that a violation continues shall be deemed a separate offense.

## **SECTION 4.**

All rights and remedies of the City of Rhome, Texas are expressly saved as to any and all violations of the City's property tax regulations which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

## **SECTION 5.**

The City Secretary of the City of Rhome, Texas is hereby directed to publish at least twice in the official newspaper of the City of Rhome, Texas, the caption and the penalty clause of this Ordinance in accordance with Section 52.011 of the Local Government Code.

## **SECTION 6.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law,

**AND IT IS SO ORDAINED.**

Passed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CITY OF RHOME, TEXAS

By: \_\_\_\_\_  
Jo Ann Wilson, Mayor

ATTEST:

\_\_\_\_\_  
Shannon Montgomery, City Secretary

APPROVED AS TO FORM AND LEGALITY:

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Carvan E. Adkins, City Attorney

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## **AGENDA ITEM - E**

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# BASIC FINANCING ALTERNATIVES FOR TEXAS CITIES

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**General Obligation Bonds** - are backed by the full faith and credit of the City and are primarily supported by its taxing power. Typical projects financed include streets, drainage, parks and municipal buildings. General obligation bonds require voter approval. Bond elections can only be held in May and November.

**Revenue Bonds** - are secured by a lien on and pledge of the revenues derived from charges or rents paid by users of the facility built with the proceeds of the bond issue. In many cases, revenue bonds may also be supported by a dedicated sales tax. Revenue bonds will typically carry a slightly higher interest rate than general obligation bonds. The issuance of Revenue Bonds does not require voter approval and is not subject to a petition.

**Certificates of Obligation ("COs")** - are secured by the City's taxing power. In addition to the taxing power, Combination Tax and Revenue COs are also secured by and payable from a limited pledge of surplus net revenues of certain designated revenue facilities. Cities must have an enterprise revenue stream, such as water and/or sewer revenues, to make a surplus pledge in order to issue COs. COs do not require voter approval but require a legal publication of a notice of intent to sell. A petition signed by at least five percent of the city's registered voters would force an election. CO's will typically carry the same interest rate as general obligation bonds.

**Tax Notes** - are secured by the City's taxing power on taxable property within the municipality. These instruments have a maximum maturity of seven years. These notes may be used to purchase materials and equipment, to construct public works, to purchase real property and to pay for professional services. The issuance of Tax Notes does not require voter approval and is not subject to a petition.

**Personal Property Finance Contractual Obligations ("PPFCOs")** - may be used to finance personal property and equipment acquisitions. These obligations may not be used to finance real property and public works. The security for this financing is derived from revenues contained in the City's maintenance and operation account. The issuance of PPFCOs does not require voter approval and is not subject to a petition.

**Note:** Pursuant to the Texas Constitution, Cities with a population of more than 5,000 have a total tax rate limitation of \$2.50 per \$100 of assessed valuation. "General Law" cities with a population of less than 5,000 have a total tax rate limitation of \$1.50 per \$100 of assessed valuation. "Home Rule" cities should review their City Charter for any other limitations.



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# FUNDING SOURCES FOR TEXAS CITIES

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**Open Market Sale** – The debt is offered to the public through either a competitive or negotiated sale. An open market sale will take two to three months to accomplish.

**Competitive Sale** – Essentially the same process is used as a public works project bid opening. The parameters of the debt offering are published in a preliminary official statement/notice of sale setting a date, time and location of the bid opening. The firm offering the lowest interest rate is awarded the sale. This type of offering is common if the issuer is a strong credit, the market is not too volatile and the type of debt obligation being offered is not unusual.

**Negotiated sale** – The purchaser, called the underwriter, is selected ahead of the sale and the interest rate is negotiated with the underwriter on a stipulated date. This type of sale offers greater flexibility in marketing the debt. If the market is volatile, the sale date can be easily changed, as can the amortization schedule, if necessary to make the debt more marketable. The underwriter also has more time to find competitive buyers out in the marketplace.

**Direct or Private Placement** – Generally, smaller and shorter term issues can be placed with a local or area bank. The interest rate is negotiated with the bank. Banks usually do not want an amortization schedule longer than 15 years.

**Governmental Loan Programs** – There are two main sources of funding predominately water and sewer system improvements. As one would expect when dealing with a governmental agency the time required to secure the funding will be longer than open market or private placement sales.

**Texas Water Development Board** – If a city's debt is not easily marketable on the open bond market, TWDB is an available source of funding. TWDB has a number of programs available, several offering interest rates below what is obtainable on the open market. For certain disadvantaged communities the interest rate could be zero. Their website, [www.twdb.state.tx.us](http://www.twdb.state.tx.us), has current interest rates, descriptions of the programs and all the necessary application forms. A TWDB financing will typically take at least five to eight months. Amortization schedules are usually 20 years, but can be as long as 30 years for disadvantaged communities.

**US Department of Agriculture** – The Rural Utilities Service offers 40-year loans to cities at an interest rate below what is obtainable on the open market. Details of the programs can be found on their website, [www.usda.gov/rus/](http://www.usda.gov/rus/). It is not unusual for a USDA financing to take two years to accomplish.



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## KEY PARTICIPANTS IN CAPITAL FINANCING

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**Issuer** – As the project owner, the issuer’s role is self-explanatory. The Issuer is the City.

**Project Engineer or Architect** – Usually the first consultant retained for the project, responsible for, planning, design and contract administration.

**Financial Advisor** – Initially works with the project engineer or architect providing the issuer with financing options given the cost estimates for the project. Responsible for recommending the type of debt to be issued and source of funding, issuing the debt at the lowest possible interest cost and coordinating delivery of the funds.

**Bond Counsel** – A law firm specializing in local, state and federal statutes regarding the issuance of municipal debt. If a bond election is required bond counsel will prepare the election legal proceedings. Responsible for preparing all the legal proceedings for issuing the debt and submitting the transcript of proceedings to the Texas Attorney General, Public Finance Division. Issuing a legal opinion as to the validity and tax status of the debt.

**Credit Rating Agency** – There are three primary rating agencies that issue credit ratings for municipal debt. They are Standard & Poor’s, Moody’s Investors Service and Fitch Ratings. These agencies review the issuer’s finances, the proposed debt and the area economy and publish a bond rating measuring their opinion as to the credit worthiness of the proposed financing. The highest possible rating is “AAA” with the lowest marketable rating being “BBB-“.

**Attorney General, Public Finance Division** – Reviews the transcript of legal proceedings prepared by the bond counsel and approves the debt issue for registration by the State Comptroller. A fee is charged for this review.

**Bond Insurer** – For issuers with a credit rating of A+ or lower, an application is made to qualify the debt for bond insurance. If qualified and the decision is made to use insurance, a one-time premium is charged, paid ultimately by the issuer. Insurance protects the bond holder against default and attaches a “AA-” or AA” rating on the debt. There used to be a number of firms offering insurance, but there are only two (AGM & BAM).

**Paying Agent/Registrar** – The bank to whom the issuer makes debt payments. The bank then transfers the funds to be received by the bond holders.



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