

NOTICE OF MEETING

DICKINSON MANAGEMENT DISTRICT NO. 1

The Board of Directors of Dickinson Management District No. 1 will hold a regular meeting on Tuesday, May 3, 2016, at 6:00 p.m., in Conference Room 2 at the City of Dickinson (the "City") City Hall, 4403 State Highway 3, Dickinson, Texas 77539, to discuss and, if appropriate, act upon the following items:

1. Public Comments.
2. Approve Minutes Of August 20, 2015.
3. Presentation and Acceptance of Fiscal Year 2014-2015 Audited Comprehensive Annual Financial Report Prepared By Belt, Harris Pechacek, LLLP, Certified Public Accountants.
4. Approve Quarterly Investment Report & Financials For Period Ending December 31, 2015.
5. Approve Quarterly Investment Report & Financials for Period Ending March 31, 2016.
6. Conduct Annual Review Of Investment Policy and Approve Resolution Regarding Annual Review of Investment Policy.
7. Approve Sworn Statements And Oaths Of Office For Directors Browne And Fulcher.
8. Accept Annual Disclosure Statements For Executive Director And Bookkeeper, Both Of Whom Are Investment Officers For The District.
9. Review, Revise And Approve Fiscal Year 2015-2016 First Amended Budget.
10. Review, Revise and Approve Resolution Ratifying Execution of Sponsorship Agreement with Del Papa Distributing Co. for 2016 Red, White & Bayou Crawfish and Texas Music Festival By Board President.
11. Executive Director's Report Regarding 2016 Red, White & Bayou Crawfish and Texas Music Festival.
12. Review, Revise and Approve Resolution Ratifying Execution of Agreement with Always In Season Decorating Services, Inc. for Custom Holiday Decorations by Executive Director.
13. Review, Revise and Approve Resolution Ratifying Execution of Agreement with Ambius for Custom Holiday Decorations by Executive Director.
14. Discussion And Direction Concerning 2016 Holiday Decorations Within The District.




Julie M. Robinson
Executive Director

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's Executive Director at (281) 337-6204 at least three business days prior to the meeting so that appropriate arrangements can be made.

**DICKINSON MANAGEMENT DISTRICT NO. 1
ATTENDANCE LIST**

MEETING DATE: May 3, 2016

<u>CHAIRPERSON/BOARD MEMBERS</u>	<u>PRESENT</u>	<u>ABSENT</u>
C. WAYNE BROWNE	_____	_____
RENEE CASEY	_____	_____
PERRY FULCHER	_____	_____
MARY DUNBAUGH	_____	_____
KIM WESTERLAGE	_____	_____

MAKE NOTE ON RECORDING: THE FOLLOWING ALSO ARE IN ATTENDANCE:

EXECUTIVE DIRECTOR, Julie M. Robinson	_____	_____
ADMINISTRATIVE SERVICES MANAGER, Stephanie Russell	_____	_____
Council Liaison Charles Suderman	_____	_____
Council Liaison William H. King	_____	_____
_____	_____	_____
_____	_____	_____

TAB 2

MINUTES
DICKINSON MANAGEMENT DISTRICT NO. 1

August 20, 2015

The Board of Directors (the "Board") of Dickinson Management District No. 1 (the "District") met in regular session, open to the public, on the 20th day of August, 2015, at the City of Dickinson (the "City") City Hall, 4403 State Highway 3, Dickinson, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Perry Fulcher, M.D.	President
C. Wayne Browne, D.C.	Vice President
Mary Dunbaugh	Assistant Vice President
Renee Casey	Secretary
Kim Westerlage	Assistant Secretary

and all of the above were present except Board Members Fulcher and Browne, thus constituting a quorum.

Also present at the meeting were Julie M. Robinson, Executive Director for the District, and Stephanie Russell, Bookkeeper and Investment Officer for the District.

PUBLIC COMMENTS

There were no comments from the public.

MINUTES

The Board considered approving the minutes of the July 23, 2015 meeting. After review and discussion, Director Westerlage moved to approve the minutes as submitted. Director Casey seconded the motion, and it passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the financial report, including a review of the District's income and expenses. Ms. Robinson and Ms. Russell gave a brief overview of the balance sheet and statement of revenues and expenditures. A copy of the financial report is attached. Following review and discussion, Director Dunbaugh made a motion to approve the financial report. Director Casey seconded the motion, and it passed by unanimous vote.

SWORN STATEMENTS AND OATHS OF OFFICE, REORGANIZATION OF THE BOARD AND EXECUTION OF DISTRICT REGISTRATION FORM

Mrs. Robinson advised the Board that, with the reappointment of Directors Browne, Dunbaugh and Fulcher by the City Council, each of the Directors were required to execute new Sworn Statements and Oaths of Office. Since Director Dunbaugh was the only Director who had executed the documents as of the date of the Board meeting, Mrs. Robinson advised that the Board should only approve the Sworn Statement and Oath of Office executed by Director Dunbaugh. The Sworn Statements and Oaths of Office that are executed by Directors Browne and Fulcher will be presented for Board approval at the next Board meeting. Following review and discussion, Director Westerlage made a motion to approve the Sworn Statement and Oath of Office for Director Mary Dunbaugh. Director Casey seconded the motion, and it passed by unanimous vote.

Mrs. Robinson then reviewed the current organization of the Board. Following discussion, Director Westerlage made a motion to keep the current organization of the Board which is:

Perry Fulcher, M.D.	President
C. Wayne Browne, D.C.	Vice President
Mary Dunbaugh	Assistant Vice President
Renee Casey	Secretary
Kim Westerlage	Assistant Secretary

Director Casey seconded the motion, and it passed by unanimous vote. Director Casey then made a motion to authorize the execution of an updated District Registration Form with the new officer information. Director Westerlage seconded the motion, and it passed by unanimous vote.

APPROVAL OF FIRST AMENDED BUDGET FOR FISCAL YEAR 2014-2015

Ms. Robinson reviewed with the Board a proposed First Amended Budget for Fiscal Year 2014-2015 that would reflect several changes to the Adopted Budget based on actual numbers and to include additional projects for the Board's consideration. Following review and discussion, Director Westerlage made a motion to approve the proposed First Amended Budget for Fiscal Year 2014-2015 as presented. Director Casey seconded the motion, and it carried unanimously. A copy of the First Amended Budget for Fiscal Year 2014-2015 is attached.

FUNDING REQUEST FROM THE CITY AND AGREEMENT WITH CITY TO FINANCE SERVICES AND IMPROVEMENTS FOR FISCAL YEAR 2015-2016

Mrs. Robinson and the Board reviewed and discussed a letter from the City of Dickinson requesting funding for Fiscal Year 2015-2016 in the amount of \$782,782.00. A copy of the letter is attached. The Board also considered other District projects included in

the recommended FY 2015-2016 District Budget. The Board reviewed an Agreement for District Services for Fiscal Year 2015-2016 with the City of Dickinson. Following discussion, Director Casey made a motion to authorize execution of the Agreement for District Services with the City, and direct that, once fully executed, the Agreement be filed appropriately and retained in the District's official records. Director Westerlage seconded the motion, and it carried unanimously.

BUDGET FOR FISCAL YEAR 2015-2016

Mrs. Robinson reviewed with the Board the budget projections and a recommended budget for Fiscal Year 2015-2016. A copy of the recommended Fiscal Year 2015-2016 budget is attached. Following review and discussion, Director Westerlage made a motion to adopt the recommended budget for Fiscal Year 2015-2016. Director Casey seconded the motion, and it carried unanimously.

REVIEW AND APPROVE PROPOSAL FROM TML/HARCO INSURANCES SERVICES

The Board reviewed a proposal from TML/Harco Insurance Services for renewal of the District's directors and consultants bonds, general liability, directors' and officers' liability, and other possible new insurance for Fiscal Year 2015-2016. Ms. Robinson reviewed the insurance coverage currently held by the District and recommended approval of the same coverage for the Fiscal Year 2015-2016, noting the premium will be slightly less than the previous year and such amount has been included in the Fiscal Year 2015-2016 Budget just approved by the Board. Following review and discussion, Director Casey made a motion to approve the proposal from TML/Harco Insurance Services at the current coverage levels. Director Westerlage seconded the motion, and it carried unanimously.

HOLIDAY DECORATIONS

Mrs. Robinson advised the Board that, although funding of \$20,000.00 has been included in the Fiscal Year 2015-2016 Budget approved by the Board, she has not had an opportunity to discuss the multi-year plan with the company she has identified to work on the holiday decorations. Mrs. Robinson will provide the Board with information on some possible decorations and cost estimates for the Board to consider for the 2015 Holiday Season, and additional information concerning other years will be presented to the Board at the next meeting. No formal action was taken by the Board.

The Board convened into Executive Session at 6:29 pm.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board reconvened into open meeting at 6:50 pm. No action was taken concerning matters discussed in Executive Session

There being no further business to come before them, the Board concurred to adjourn the meeting.

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS

Financial Report.....6
FY 2014-2015 First Amended Budget.....8
FY 2015-2016 Funding Request from City of Dickinson.....10
FY 2015-2016 Adopted Budget.....16

DICKINSON MANAGEMENT DISTRICT NO. 1
BALANCE SHEET
FISCAL YEAR 2014 - 2015
AS OF JULY 2015

Assets	
Current Assets	
Cash	
Amegy Bank - Operating Account	421,045
Capital One - Operating Account	146,074
Total Cash	<u>567,118</u>
Accounts Receivable	
Due from State of Texas Comptroller	-
Due from City of Dickinson	-
Total Accounts Receivable	<u>-</u>
Total Current Assets	<u>567,118</u>
Total Assets	<u><u>567,118</u></u>
Liabilities & Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
Due to City of Dickinson	-
380 Grants Payable	-
Other Accounts Payable	-
Total Accounts Payable	<u>-</u>
Total Current Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
Equity	
Beginning Fund Balance	458,738
Net Income	108,380
Total Equity	<u>567,119</u>
Total Liabilities & Equity	<u><u>\$ 567,119</u></u>

**DICKINSON MANAGEMENT DISTRICT NO. 1
BUDGET VS. ACTUAL REPORT
FISCAL YEAR 2014 - 2015
AS OF JULY 2015**

	FY 2014-2015 Original Budget	YTD	Budget Balance Available	% of Budget Expended
Revenue				
Sales Tax Revenue	2,403,486	1,812,740	590,746	75%
Total Revenue	2,403,486	1,812,740	590,746	75%
Expenditures				
Financial Services	6,000	4,500	1,500	75%
Legal Services	5,000	2,664	2,336	53%
EMS Service - Implementation of Medic 1 FT & Medic 2 PT	224,562	-	224,562	0%
Vehicles/Equipment Purchases	278,000	278,000	-	100%
Legislative Services	13,500	10,125	3,375	75%
Local Match for Fixed Route Bus Service w/in District	25,000	25,000	-	100%
Local Match - Bus Stop Improvements	20,000	20,000	-	100%
Red, White & Bayou Sponsorship	25,000	25,000	-	100%
Connect CTY Service	8,363	6,272	2,091	75%
Major ROW Mowing Services	38,005	28,504	9,501	75%
Expansion of City Demolition Program	35,000	26,250	8,750	75%
Office Supplies/Postage Expense	500	35	465	7%
Insurance/Surety Bond	1,478	1,478	-	100%
Audit Services	5,500	-	5,500	0%
Survey Services	-	3,400	(3,400)	0%
Chapter 380 Rebates	1,706,475	1,273,132	433,343	75%
Total Expenditures	2,392,383	1,704,360	688,023	71%
Net Income	11,103	108,380		

**DICKINSON MANAGEMENT DISTRICT NO. 1
FY 2014-2015 FIRST AMENDED BUDGET**

	FY 2014-2015 ADOPTED BUDGET	VARIANCE BETWEEN FY 2014-2015 ADOPTED BUDGET AND FY 2014-2015 FIRST AMENDED BUDGET	FY 2014-2015 FIRST AMENDED BUDGET
REVENUE			
Sales Tax Revenue	\$ 2,403,486	\$ -	\$ 2,403,486
Interest Income	\$ -	\$ -	\$ -
Use of Beginning Fund Balance	\$ -	\$ 19,497	\$ 19,497
TOTAL REVENUE	\$ 2,403,486	\$ 19,497	\$ 2,422,983
EXPENDITURES			
Contract Services			
Personnel Services	\$ -	\$ -	\$ -
Financial Services	\$ 6,000	\$ -	\$ 6,000
Legal Services	\$ 5,000	\$ -	\$ 5,000
Legislative Services	\$ 13,500	\$ -	\$ 13,500
Survey Services	\$ -	\$ 5,000	\$ 5,000
Vehicles/Equipment Purchases	\$ 278,000	\$ -	\$ 278,000
EMS Service - Implementation of Medic 1 FT and Medic 2 PT	\$ 224,562	\$ -	\$ 224,562
Incorporation of City Zoning Map and Floodplain Map Layers in GIS System	\$ -	\$ -	\$ -
1 Cardiac Monitor for EMS	\$ -	\$ -	\$ -
1 Stretcher for EMS	\$ -	\$ -	\$ -
Redesign of City Website	\$ -	\$ -	\$ -
Local Match to Continue Fixed Route Bus Service Within District	\$ 25,000	\$ -	\$ 25,000
Local Match for Construction of Bus Stop Improvements for Fixed Route Bus Service Within District	\$ 20,000	\$ -	\$ 20,000

50% Contribution Toward Construction of Accessible Ramp in Paul Hopkins Park (Joint Project with Galveston County)	\$ -	\$ 24,400	\$ 24,400	\$ 24,400
2015 Red, White & Bayou Sponsorship	\$ 25,000	\$ -	\$ -	\$ 25,000
Connect CTY Service	\$ 8,363	\$ -	\$ -	\$ 8,363
Major ROW Mowing Services	\$ 38,005	\$ -	\$ -	\$ 38,005
Rain Barrel Workshop Sponsorship with Keep Dickinson Beautiful and Galveston Bay Foundation	\$ -	\$ 1,200	\$ 1,200	\$ 1,200
Expansion of City Demolition Program	\$ 35,000	\$ -	\$ -	\$ 35,000
Office Supplies/Postage Expense	\$ 500	\$ -	\$ -	\$ 500
Insurance/Surety Bond	\$ 1,478	\$ -	\$ -	\$ 1,478
Audit Services	\$ 5,500	\$ -	\$ -	\$ 5,500
Chapter 380 Rebates	\$ 1,706,475	\$ -	\$ -	\$ 1,706,475
TOTAL EXPENDITURES	\$ 2,392,383	\$ 30,600	\$ 30,600	\$ 2,422,983
EXCESS (DEFICIT)	\$ 11,103	\$ (11,103)	\$ -	\$ -



August 13, 2015

Dr. Perry Fulcher, President
Dickinson Management District No. 1
c/o City of Dickinson
4403 State Highway 3
Dickinson, TX 77539

RE: Request for Funding by City of Dickinson for FY 2015-2016

Dear President Fulcher and Board Members:

This letter shall serve as the City of Dickinson's formal request for funding from Dickinson Management District No. 1 for Fiscal Year 2015-2016 in the amount of \$782,782.00.

The City of Dickinson ("the City") and Dickinson Management District No. 1 ("District"), undertake a variety of projects each year to ensure that the City remains an attractive, viable location for businesses. Recent projects have included: public infrastructure improvements, business advocacy efforts, marketing and promotional efforts, investment in tourism development projects, partnering with developers to create new and unique business opportunities, and continual streamlining of City processes.

Some of the services provided to the business community and within the District by the City include emergency medical services, notification services for various incidents and emergencies that occur within or affect the District, mowing of major thoroughfares, neighborhood revitalization through demolition of substandard buildings, and technological services.

For FY 2015-2016, the City needs to replace four Police patrol vehicles and one vehicle for the Fire Marshal's Office. For safety purposes, the City needs to be able to continue to provide notification services for various incidents and emergencies that occur within the District. This service is provided through Connect CTY and allows the fastest communication method for reaching businesses and residents when needed. The mowing of major thoroughfares allows the City and District to maintain curb appeal for new businesses and residents looking to relocate within the

Dr. Perry Fulcher, President
August 13, 2015
Page Two

District. In order to continue neighborhood revitalization efforts, the City has undertaken increased efforts to address blighted areas through a demolition program. In FY 2014-2015, the District provided additional funding to the City to expand the demolition program, and the City respectfully requests the additional funding again in FY 2015-2016 along with an increase of \$15,000.00 over previous funding levels to allow the City to address additional properties through the demolition program.

In FY 2014-2015, the Texas Legislature passed legislation that again will change sales tax regulations and will result in the State Comptroller implementing rules affecting sales tax collections that are anticipated to negatively impact both the City and the District. It is anticipated that interim legislative committee meetings will occur in 2015-2016 that will address sales tax application and collection that may negatively impact the City and the District. In order to be proactive in monitoring and addressing any possible negative legislation, interim legislative committee recommendations, and rulemakings, the City has contracted with HRMK, Inc. to continue to provide legislative services to both the City and the District in FY 2015-2016. The City respectfully requests that the District share the cost of these services with the City in order to protect both entities.

The costs associated with each of these items are as follows:

❖ Replacement of 5 Public Safety Vehicles	\$245,400.00
❖ Purchase of 4 new AEDs	\$7,000.00
❖ Purchase of 1 Automated Stretcher	\$40,000.00
❖ Connect CTY	\$8,363.00
❖ Mowing of Major Thoroughfares	\$38,005.00
❖ Expanded Demolition Program	\$50,000.00
❖ Legislative Services	\$18,000.00
❖ Financial Services Provided to the District	\$6,000.00

In Fiscal Year 2010-2011, the City expanded the service level of the Emergency Medical Services (EMS) Department by implementing the Medic 2 ambulance on a full-time basis. The City's General Fund was able to provide a subsidy to the EMS Enterprise Fund to cover a portion of the costs associated with providing this service to the community for the first two years. During the second year of the expanded service, the City experienced problems with its contracted EMS billing company and had to terminate the contract and retain a different EMS billing company. The new billing company has diligently worked to complete billings and collections that were not completed by the previous company as well as maintaining current billings and collection for this fiscal year. While the billing company has done a good job in working

Dr. Perry Fulcher, President
August 13, 2015
Page Three

the EMS billings and collections, the reality is that, with changes to federal healthcare laws, the EMS Department is experiencing reductions in collections from Medicare and private insurance carriers while expenses continue to increase. Consequently, the subsidy needed for the expanded EMS service level increased to a point that the City's General Fund was unable to sustain it. In Fiscal Year 2013-2014, the City Council made a policy decision to reduce the EMS service level to the service level that was in place until Fiscal Year 2010-2011 – which was to operate the Medic 1 ambulance on a full-time basis and operate the Medic 2 ambulance during the business week utilizing current City staff who are certified to operate an ambulance and provide emergency medical services. While this service level is a reduction from the current EMS service level, it is still an increase from the initial EMS service level that was provided within the District when the District was activated.

In order to maintain all other City services at their current levels and continue to provide Medic 1 full-time and Medic 2 on a part-time basis, the City is unable to fund a subsidy for EMS for Fiscal Year 2015-2016. Therefore, the City respectfully requests that the District fund a subsidy for EMS in the amount of \$370,014.00 which is needed to continue to provide EMS service within the District at the service level established for Fiscal Year 2015-2016. A copy of the FY 2015-2016 EMS Departmental Budget reflecting all of the expenditures associated with providing its service is included for your information and review.

Thank you for your consideration of this funding request. Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,



Julie M. Robinson
City Administrator

CITY OF DICKINSON
FY 2015-2016 RECOMMENDED BUDGET
GENERAL FUND EXPENDITURES
EMERGENCY MEDICAL SERVICES: DEPARTMENT 17

DEPARTMENT OVERVIEW

The Emergency Medical Services (EMS) Department is under the direction of the EMS Director and includes a staff of EMTs, Paramedics, and a part-time Administrative Assistant. The EMS department is responsible for providing emergency care and transport for the sick and injured citizens of or visitors to the City of Dickinson. The department also provides public health education to the community. The EMS department was previously part of the City's Public Safety department, which was separated into the Fire Marshal's Office and EMS departments in 2013.

PERSONNEL COUNTS	FY 13-14 Actual	FY14-15 Amended Budget	FY15-16 Proposed Budget
EMS Director	1.0	1.0	1.0
Paramedic	14.0	14.0	14.0
EMT - Intermediate	0.5	0.5	0.5
EMT - Basic	4.0	4.0	4.0
Administrative Assistant - EMS	0.5	0.5	0.5
TOTAL FTE	20.0	20.0	20.0

EXPENDITURE SUMMARY	FY 13-14 Actual	FY 14-15 Projection	FY 14-15 Amended Budget	FY 15-16 Proposed Budget	Increase/ (Decrease)
Salary & Benefits	516,301	655,248	578,734	690,664	111,930
Supplies	93,460	47,767	49,500	55,300	5,800
Maintenance	35,047	28,023	35,810	42,620	6,810
Operational Expenses	35,604	39,771	32,750	43,600	10,850
Contract Services	52,289	48,900	49,000	52,000	3,000
Property & Equipment	78,136	-	-	47,000	47,000
Insurance	6,721	3,000	4,080	4,080	-
TOTAL EXPENDITURES	817,557	822,709	749,874	935,264	185,390

MAJOR CHANGES IN FY 2015-2016

Salary & Benefits have increased due to an anticipated 11% increase in healthcare costs, implementation of Phase III Market Adjustments, and a 3% cost of living adjustment. Additionally, the city's portion of dependent healthcare has been reduced from 50% to 30% and Retirement (TMRS) has decreased due to a reduction in rates. Additionally, part-time salaries were increased based on previous and current year trends.

Supplies have been increased due to the increase in the number of calls.

Building Maintenance has been increased based on previous year actuals and current year projections.

Service Contract has been increased per the increase in the service agreement with Physio-Control.

Utilities has been increased based on previous year actuals and current year projections.

Contract Services has been increased to accommodate an increase in the Medical Director rate.

Property & Equipment has been increased by \$47,000 to purchase four AEDs (\$7,000) and one fully automated stretcher (\$40,000). These one-time expenses will be reimbursed by the Dickinson Management District No. 1.

CITY OF DICKINSON
FY 2015-2016 RECOMMENDED BUDGET
GENERAL FUND EXPENDITURES
EMERGENCY MEDICAL SERVICES: DEPARTMENT 17

Account	Account Name	FY 13-14 Actual*	FY 14-15 Projection	FY 14-15 Amended Budget	FY 15-16 Proposed Budget	Increase/ (Decrease)
SALARY & BENEFITS						
8101	Salary & Wages	178,530	211,275	202,327	219,319	16,992
8102	Overtime Pay	65,657	83,242	75,000	78,434	3,434
8104	PTE Base Salary	176,842	243,928	180,000	250,226	70,226
8110	Cell Phone Allowance	110	-	715	-	(715)
8113	Certification/Edu. Pay	6,079	4,788	7,860	10,200	2,340
8114	Longevity Pay	2,125	795	795	1,095	300
8150	FICA Tax	6,410	13,607	6,500	17,913	11,413
8151	Payroll Tax	6,101	4,641	6,861	8,109	1,248
8152	Unemployment Tax	3,185	3,233	3,500	4,848	1,348
8153	Retirement (TMRS)	27,695	31,557	40,929	34,114	(6,815)
8155	Employee Group Insurance	37,545	51,651	47,552	49,344	1,792
8156	Worker's Comp. Insurance	6,023	6,531	6,695	17,060	10,365
TOTAL SALARY & BENEFITS		516,301	655,248	578,734	690,664	111,930
OTHER EXPENDITURES						
Supplies						
8204	Fuel	16,789	12,667	15,000	15,000	-
8206	Investigational Supplies	28,622	33,300	29,000	34,800	5,800
8210	Office Supplies & Postage	1,124	300	500	500	-
8213	Uniforms & Apparel	3,652	1,500	5,000	5,000	-
8223	Depreciation Expense	43,272	-	-	-	-
Subtotal Supplies		93,460	47,767	49,500	55,300	5,800
Maintenance						
8301	Building & Property Maint.	19,377	19,713	18,000	20,000	2,000
8304	Service Contract	-	4,810	4,810	9,620	4,810
8307	Vehicle Maintenance	15,669	3,500	13,000	13,000	-
Subtotal Maintenance		35,047	28,023	35,810	42,620	6,810
Operational Expenses						
8402	Travel & Training - Staff	1,290	3,500	4,000	4,000	-
8403	Dues/Subscriptions/Books	2,229	1,500	2,500	3,500	1,000
8407	Comm.-Pagers & Phones	3,475	3,371	3,000	3,000	-
8417	Utilities	27,260	30,150	21,000	30,850	9,850
8424	EMS - DISD Services	1,350	1,250	2,250	2,250	-
Subtotal Other Services		35,604	39,771	32,750	43,600	10,850
Contract Services						
8527	Contract Services	7,800	7,800	8,000	11,000	3,000
8541	EMS Patient Billing	44,489	41,100	41,000	41,000	-
Subtotal Contract Services		52,289	48,900	49,000	52,000	3,000
Property & Equipment						
8604	Furniture & Equip.	36,684	-	-	47,000	47,000
8660	Vehicle Acquisition	41,452	-	-	-	-

CITY OF DICKINSON
FY 2015-2016 RECOMMENDED BUDGET
GENERAL FUND EXPENDITURES
EMERGENCY MEDICAL SERVICES: DEPARTMENT 17

Account	Account Name	FY 13-14 Actual*	FY 14-15 Projection	FY 14-15 Amended Budget	FY 15-16 Proposed Budget	Increase/ (Decrease)
Insurance						
8704	Vehicle Insurance	2,642	-	-	-	-
8708	Property Insurance	1	-	-	-	-
8709	Public Officials E&O Ins.	4,078	3,000	4,080	4,080	-
Subtotal Insurance		6,721	3,000	4,080	4,080	-
TOTAL OPERATING EXPENSES		301,256	167,461	171,140	244,600	73,460
TOTAL EXPENDITURES		817,557	822,709	749,874	935,264	185,390

**DICKINSON MANAGEMENT DISTRICT #1
FY2015-2016 PROPOSED BUDGET**

	<u>FY 2013-14 Actual</u>	<u>FY2014-15 YTD</u>	<u>FY2014-15 Amended Budget</u>	<u>FY2015-16 Proposed Budget</u>	<u>Increase/ (Decrease)</u>
REVENUE					
Sales Tax Revenue	2,597,973	1,596,891	2,403,486	2,790,000	386,514
TOTAL REVENUE	<u>2,597,973</u>	<u>1,596,891</u>	<u>2,403,486</u>	<u>2,790,000</u>	<u>386,514</u>
EXPENDITURES					
380 Rebates	1,822,947	1,119,781	1,706,475	1,980,900	274,425
Audit Services	3,530	-	5,500	5,500	-
Connect CTY Service	8,363	4,182	8,363	8,363	-
EMS - AEDs	-	-	-	7,000	7,000
EMS - Cardiac Monitor	36,684	-	-	-	-
EMS - Stretcher	-	-	-	40,000	40,000
Expansion of City Demolition	35,000	17,500	35,000	50,000	15,000
Expansion of EMS-Medic 2	178,422	-	224,562	370,014	145,452
Financials Services	6,000	3,000	6,000	6,000	-
Fixed Route Bus Service	25,000	25,000	25,000	25,000	-
Holiday Decorations	-	-	-	20,000	20,000
Improv. at Paul Hopkins Park	-	-	24,400	-	(24,400)
Insurance Expense	1,478	1,478	1,478	1,457	(21)
Legal Services	639	2,664	5,000	5,000	-
Legislative Services	6,000	6,750	13,500	18,000	4,500
Local Match-Bus Stop Improv.	-	-	20,000	20,000	-
Major ROW Mowing Service	38,005	19,003	38,005	38,005	-
Map Layers - GIS	5,200	-	-	-	-
Office Supplies/Postage	43	35	500	500	-
Rain Barrel Workshop Sponsorship	-	-	1,200	-	(1,200)
Red, White & Bayou Sponsorship	25,000	25,000	25,000	25,000	-
Street Light Installations	-	-	-	5,000	5,000
Survey Services	3,400	-	5,000	-	(5,000)
Website Redevelopment	23,258	-	-	-	-
Vehicles & Equipment Purchase	-	278,000	278,000	245,400	(32,600)
TOTAL EXPENDITURES	<u>2,218,969</u>	<u>1,502,392</u>	<u>2,422,983</u>	<u>2,871,139</u>	<u>448,156</u>
REVENUE-EXPENDITURES	<u>379,004</u>	<u>94,499</u>	<u>(19,497)</u>	<u>(81,139)</u>	
Beginning Fund Balance	79,734	458,738	458,738	439,241	
ENDING FUND BALANCE	<u>458,738</u>	<u>553,237</u>	<u>439,241</u>	<u>358,102</u>	

TAB 3

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

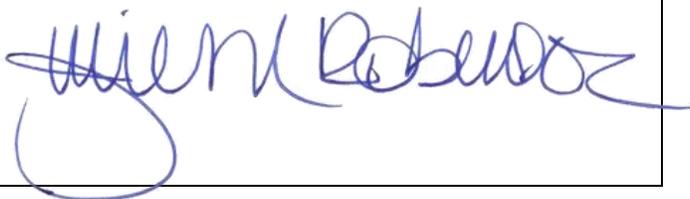
TOPIC:	Presentation and Acceptance of Fiscal Year 2014-2015 Audited Comprehensive Annual Financial Report Prepared By Belt, Harris Pechacek, LLLP, Certified Public Accountants.
---------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------

BACKGROUND:	In September of 2012, the Dickinson City Council approved a contract with the firm of Belt, Harris Pechacek, LLLP to conduct an independent audit of all accounts of the City and to prepare the City and DMD#1's Comprehensive Annual Financial Report ("CAFR") for 3 years, including Fiscal Year 2014-2015.
--------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

RECOMMENDATION:	Staff recommends acceptance of the report.
------------------------	--------------------------------------------

ATTACHMENTS:	<ul style="list-style-type: none"> • Comprehensive Annual Financial Report for FY 2014-2015
---------------------	------------------------------------------------------------------------------------------------------------

FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
-----------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<p>SUBMITTING STAFF MEMBER</p> <p><i>Stephanie Russell</i></p> <p>Stephanie Russell, Administrative Services Manager and DMD#1 Bookkeeper</p>	<p>EXECUTIVE DIRECTOR APPROVAL</p> 
------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------

ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

ANNUAL FINANCIAL REPORT

of the

**DICKINSON MANAGEMENT
DISTRICT No. 1**

A COMPONENT UNIT OF
THE CITY OF DICKINSON, TEXAS

For the Year Ended
September 30, 2015

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

TABLE OF CONTENTS

September 30, 2015

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Board of Directors	1
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report	5
Management's Discussion and Analysis (Required Supplementary Information)	9
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	17
Fund Financial Statements	
Balance Sheet – General Fund	19
Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund	21
Notes to Financial Statements	23
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	33

(This page intentionally left blank.)

INTRODUCTORY SECTION

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

BOARD OF DIRECTORS

September 30, 2015

<i>President</i>	Perry Fulcher, M.D.
<i>Vice President</i>	C. Wayne Brown
<i>Assistant Vice President</i>	Mary Dunbaugh
<i>Secretary</i>	Renee Casey
<i>Assistant Secretary</i>	Kim Westerlage

(This page intentionally left blank.)

FINANCIAL SECTION

(This page intentionally left blank.)



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Dickinson Management District No. 1
City of Dickinson, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Dickinson Management District No. 1 (the "District"), a component unit of the City of Dickinson, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Partners

Robert Belt, CPA
Stephanie E. Harris, CPA
Nathan Krupke, CPA

Houston

3210 Bingle Rd., Ste. 300
Houston, TX 77055
713.263.1123

Bellville

P.O. Box 826
Bellville, TX 77418
713.263.1123

Austin

100 Congress Ave., Ste. 2000
Austin, TX 78701
512.381.0222

All Offices

www.texasauditors.com
info@txauditors.com
713.263.1550 fax



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of September 30, 2015, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 31, 2016

***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

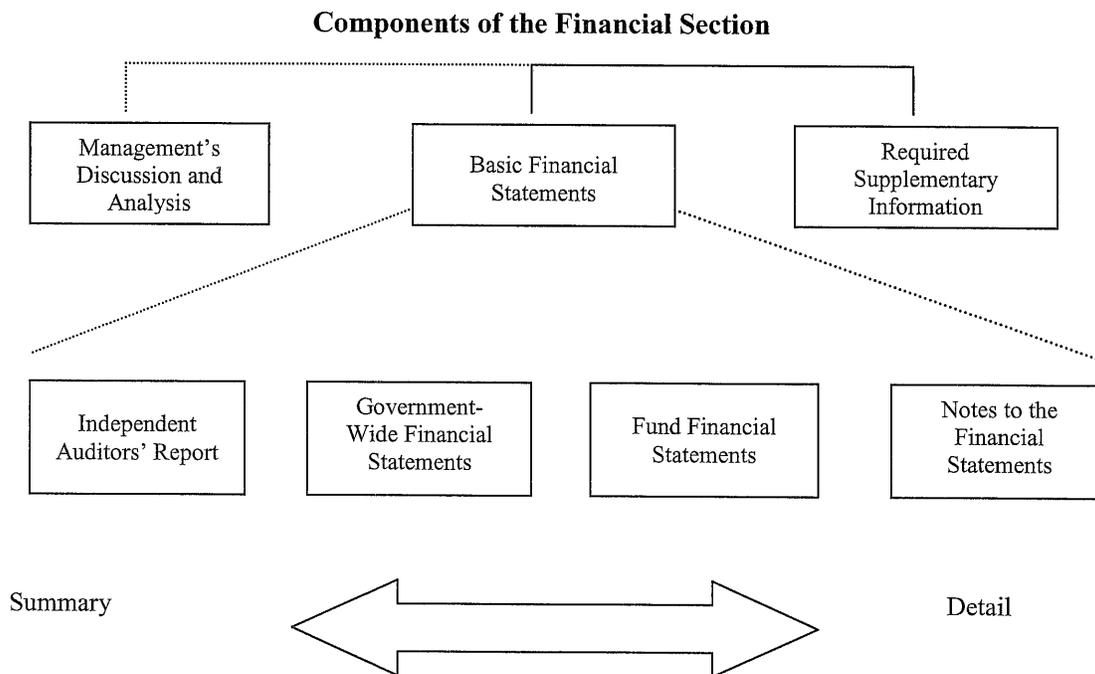
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2015

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the Dickinson Management District No. 1 (the "District") for the year ending September 30, 2015. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the District's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the District's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The District's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. For this report, no reconciliation has been provided between the fund financial statements and the government-wide financial statements, as the only change necessary was the reclassification of fund balance at the fund level to net position at the government-wide level. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information for the District as a whole. These statements include transactions and balances relating to all assets. These statements are designed to provide information about cost of services, operating results, and financial position of the District as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District's activities that enable the reader to understand the financial condition of the District. These statements are prepared using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

DICKINSON MANAGEMENT DISTRICT NO. 1
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2015

The Statement of Net Position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows using the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities present one class of activity for the District:

1. Governmental Activities – The District's basic services are reported here including economic development and intergovernmental projects with the City of Dickinson (the "City"). Sales tax finances most of these activities.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the District. They are usually segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The one category of District funds is governmental.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions.

The District maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, which is considered to be a major fund for reporting purposes.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for this fund to demonstrate compliance with this budget.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2015

Other Information

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as a useful indicator of the District's financial position. For the District, assets exceed liabilities by \$624,262 as of year end.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2015	2014	Change
Current assets	\$ 956,305	\$ 1,104,567	\$ (148,262)
Total Assets	956,305	1,104,567	(148,262)
Current liabilities	332,043	645,829	(313,786)
Total Liabilities	332,043	645,829	(313,786)
Net Position:			
Unrestricted	624,262	458,738	165,524
Total Net Position	\$ 624,262	\$ 458,738	\$ 165,524

Current assets for the year decreased by 13 percent compared to the prior year. This decrease was the result of an increase in Chapter 380 economic incentive payments and contributions to the City for vehicle purchases offset by an increase in sales tax revenues compared to the prior year. Current liabilities decreased by \$313,786. This decrease was largely the result of a decrease in payables due to the City. The overall condition of the District increased \$165,524 compared to the prior year.

Statement of Activities:

The following table provides a summary of the District's changes in net position:

	2015	2014
Revenues		
Sales taxes	\$ 2,787,143	\$ 2,597,973
Investment income	394	-
Total Revenues	\$ 2,787,537	\$ 2,597,973
Expenses		
Economic development	\$ 1,988,483	\$ 1,865,637
Intergovernmental City projects	633,530	353,332
Total Expenses	2,622,013	2,218,969
Change in Net Position	165,524	379,004
Beginning net position	458,738	79,734
Ending Net Position	\$ 624,262	\$ 458,738

DICKINSON MANAGEMENT DISTRICT NO. 1
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2015

Expenses related to economic development for the year increased by seven percent in comparison to the prior year. This increase is due mainly to an increase in Chapter 380 rebates. Expenses related to intergovernmental City projects increased by 79 percent in comparison to the prior year due to contributions to the City for vehicle purchases. Revenues increased by 7 percent due to additional sales tax revenue from improved economic conditions within the City.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District budgeted for a zero dollar increase in fund balance but actually realized an increase of \$165,524. This is primarily due to a positive budget variance for sales tax revenues of \$383,657. This was partially offset by a negative budget variance for the Chapter 380 rebates of \$224,771.

CAPITAL ASSETS

The District has no capital assets. Capital assets are purchased through a contribution for joint capital projects with the City and are recorded and depreciated on the City's financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's principal source of revenue is a one-half of one percent sales tax (.005%) on goods and services purchased in the District. The budgeted sales tax revenue for the 2015-2016 fiscal year is \$2,790,000. The District adopted a total expense budget of \$2,871,139 for fiscal year 2015-2016.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning this report or requests for additional financial information should be directed to the Dickinson Management District No. 1, 4403 Highway 3, Dickinson, Texas, 77539.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

STATEMENT OF NET POSITION

September 30, 2015

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 454,763
Receivables	501,542
Total Assets	<u>956,305</u>
<u>Liabilities</u>	
Accounts payable	332,043
Total Liabilities	<u>332,043</u>
<u>Net Position</u>	
Unrestricted	624,262
Total Net Position	<u>\$ 624,262</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
Primary Government		
Governmental Activities		
Economic development	\$ 1,988,483	\$ (1,988,483)
Intergovernmental City projects	633,530	(633,530)
Total Governmental Activities	<u>2,622,013</u>	<u>(2,622,013)</u>
Total Primary Government	<u>\$ 2,622,013</u>	<u>(2,622,013)</u>
	General Revenues:	
	Taxes	
	Sales taxes	2,787,143
	Investment income	394
	Total General Revenues	<u>2,787,537</u>
	Change in Net Position	165,524
	Beginning net position	458,738
	Ending Net Position	<u>\$ 624,262</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS
BALANCE SHEET
GENERAL FUND
September 30, 2015

	<u>General</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 454,763
Receivables	501,542
Total Assets	<u>\$ 956,305</u>
 <u>Liabilities</u>	
Accounts payable	<u>\$ 332,043</u>
Total Liabilities	<u>332,043</u>
 <u>Fund Balance</u>	
Unassigned	624,262
Total Fund Balance	<u>\$ 624,262</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND

For the Year Ended September 30, 2015

	General
<u>Revenues</u>	
Sales taxes	\$ 2,787,143
Investment income	394
Total Revenues	2,787,537
<u>Expenditures</u>	
Economic development	1,988,483
Intergovernmental City projects	633,530
Total Expenditures	2,622,013
Net Change in Fund Balance	165,524
Beginning fund balance	458,738
Ending Fund Balance	\$ 624,262

See Notes to Financial Statements.

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Dickinson Management District No. 1 (the "District") was organized, created, and established pursuant to an act of the 79th Texas State Legislature, effective under the terms and provisions of Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution. The Board of Directors held its organizational meeting on September 25, 2008. The District's primary activities include managing and financing improvement projects and/or services benefiting the City of Dickinson (the "City"). These activities include maintenance and beautification of the area; development and/or expansion of transportation and commerce; promotion of health, safety, and welfare for the City; and general and administrative services.

The accompanying financial statements of the District are prepared in conformity with generally accepted accounting principles for governmental entities as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statement No. 14 and No. 34*, modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. GASB Statement No. 61 has been applied as required in the preparation of these basic financial statements and, accordingly, the District is considered a component unit of the City as of September 30, 2015.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is the primary government which exercises significant influence over the District. Significant influence or accountability is based primarily on operational or financial relationships with the City. Due to the nature of the relationship between the City and the District, the District has been included as a component unit of the City for financial statement purposes.

DICKINSON MANAGEMENT DISTRICT NO. 1
A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2015

The District is managed by a Board of Directors, consisting of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for the governmental fund.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's fund. Separate statements for each fund category, governmental, are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following governmental fund:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is sales tax collected by the City to be used by the District for expenditures on economic development. The general fund is always considered a major fund for reporting purposes.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Sales taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end).

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2015

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Receivables and Payables

Transactions between the City and the District outstanding at the end of the year are classified as "due to/from component unit/primary government."

3. Capital Assets

The District has no capital assets. Capital assets are purchased through a contribution for joint capital projects with the City and are recorded and depreciated on the City's financial statements.

4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has no items that qualify for reporting in this category.

5. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

6. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose,

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2015

committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

8. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The District's Board of Directors adopts an annual budget which sets forth in detail all anticipated revenues and expenses. The annual budget is prepared using the modified accrual basis of accounting. Encumbrance accounting is not utilized.

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2015

B. Excess of Expenditures Over Appropriations

For the year end, expenditures exceeded appropriations at the legal level of control as follows:

Legal services	\$	633
Chapter 380 rebates	\$	224,771

III. DETAILED NOTES

A. Deposits

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. As of year end, the District’s bank balance was completely insured by FDIC.

B. Receivables

The following comprises receivable balances at year end:

		General
Sales taxes		<u>\$ 501,542</u>

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and personal injuries. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the past three years.

B. Contingent Liabilities

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

C. Significant Legal Provisions of the Legislative Act Creating the District

As discussed in Note I.A., the District has been established pursuant to an act of the Texas State Legislature (the “Act”). Significant legal provisions of this Act are summarized below.

District Boundaries

The Act provides specifically for boundaries of the District, which includes the City.

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2015

City of Dickinson City Council

The Act provides that the Mayor and City Council of the City are to appoint the Board of Directors. The Directors are to serve staggered four-year terms. Additionally, the City Council must approve the issuance of any bonded indebtedness for each improvement project and the imposition of a sales tax.

General and Specific Powers of the District

The Act provides general powers to the District subject to general laws and regulations of the State applicable to conservation and reclamation districts created under Article XVI, Section 59 of the Texas Constitution, road districts and road utility districts created pursuant to Article III, Section 52, of the Texas Constitution, and Section 4B of the Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes).

Additional specific powers and duties are provided for in the Act, which include the financing of improvement projects and/or services for the benefit of the City. Eminent domain powers are specifically prohibited by the Act. Improvement projects and/or services may be financed in whole or in part by the issuance of bonds.

The Act provides for the method by which the District must petition, provide notice, and hold public hearings prior to the financing of the improvement projects and/or services through assessments.

The Act also provides for the issuance of voter-approved bonded indebtedness to finance improvement projects and/or services. Specific guidelines in the Act provide for the repayment of bonds which might be issued, as well as the use of bond proceeds, available security that can be pledged in issuing the bonds, and refunding capabilities for outstanding bonds.

D. Chapter 380 Economic Development Agreements

Chapter 380, *Miscellaneous Provisions Relating to Municipal Planning and Development*, of the Texas Local Government Code provides the authority to the governing body of a municipality to establish and provide for the administration of one or more programs, including programs to promote state or local economic development and to stimulate business and commercial activity in the municipality. The District has entered into Chapter 380 Economic Development Agreements (the "Agreements") with five large businesses. Each business agreed to establish and maintain an office in the City that generates substantial taxable sales. Each Agreement is for a term of ten years, and will be automatically extended for two additional ten-year periods. The District will remit back to the businesses 100 percent of sales tax revenues through the remainder of the Agreements, including the two additional ten-year terms. Each business is subject to a minimum annual taxable sales amount ranging from \$5 million to \$15 million. Should any business fail to meet that threshold, the District has the option to terminate the Agreement.

The District has entered into a Chapter 380 Economic Development Agreement (the "Agreement") with another business. The business agreed to establish and maintain an office in the City that generates substantial taxable sales. The Agreement shall remain in effect as long as the City Agreement with this business remains in effect. If the taxable sales threshold is met, the District will remit back to the business 50 percent of sales tax revenues collected for that month.

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2015

The District entered into a Chapter 380 Economic Development Agreement (the “Agreement”) with another business. The Agreement shall remain in effect as long as the City Agreement with this business remains in effect. This business agreed to expend no less than \$8,000,000 on the construction of a new 85,000 gross square-foot building. This business has also agreed to comply with the employment requirements for entire term of the Agreement. This business agreed to generate substantial taxable sales. If the taxable sales threshold is met, the District agreed to remit 50 percent of the sales tax revenues collected for that month.

During the current fiscal year, the District recorded expenditures of \$1,931,246 related to the Agreements noted above.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

DICKINSON MANAGEMENT DISTRICT NO. 1

A COMPONENT UNIT OF THE CITY OF DICKINSON, TEXAS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Sales taxes	\$ 2,403,486	\$ 2,403,486	\$ 2,787,143	\$ 383,657
Investment income	-	-	394	394
Total Revenues	2,403,486	2,403,486	2,787,537	384,051
<u>Use of Fund Balance</u>				
Use of beginning fund balance	-	19,497	-	(19,497)
<u>Expenditures</u>				
Economic development:				
Financial services	6,000	6,000	6,000	-
Legal services	5,000	5,000	5,633	(633) *
Legislative services	13,500	13,500	13,500	-
Postage and delivery	500	500	126	374
Insurance expense	1,478	1,478	1,478	-
Audit services	5,500	5,500	5,500	-
Chapter 380 rebates	1,706,475	1,706,475	1,931,246	(224,771) *
Red, white, & bayou sponsorship	25,000	25,000	25,000	-
	1,763,453	1,763,453	1,988,483	(225,030)
Intergovernmental City projects:				
Paul Hopkins Park project	-	24,400	-	24,400
Rain barrell workshop	-	1,200	1,200	-
Expansion of City demolition	35,000	35,000	35,000	-
Survey services	-	5,000	3,400	1,600
Connect CTY service	8,363	8,363	8,363	-
Major ROW mowing service	38,005	38,005	38,005	-
Bus route improvements	20,000	20,000	20,000	-
Fixed route bus service	25,000	25,000	25,000	-
Vehicles/equipment purchases	278,000	278,000	278,000	-
EMS service	224,562	224,562	224,562	-
	628,930	659,530	633,530	26,000
Total Expenditures	2,392,383	2,422,983	2,622,013	(199,030)
Change in Fund Balance	\$ 11,103	\$ -	165,524	\$ 165,524
Beginning fund balance			458,738	
Ending Fund Balance			\$ 624,262	

Notes to Required Supplementary Information:

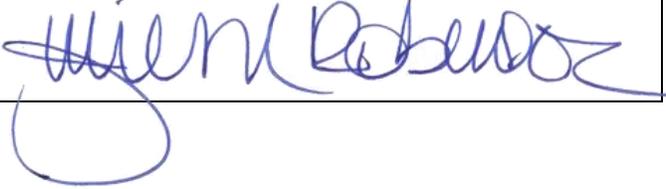
1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. * Expenditures exceeded appropriations at the legal level of control.

(This page intentionally left blank.)

TAB 4

**Dickinson Management District #1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC: Briefing and Discussion Concerning Quarterly Investment Report & Financials For Period Ending December 31, 2015.	
BACKGROUND: Per the District's Investment Policy, the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This investment report covers the quarter ending December 31, 2015.	
RECOMMENDATION: None.	
ATTACHMENTS: • Quarterly Investment and Financial Report For FY2015-2016 Quarter Ending December 31, 2015	
FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

Dickinson Management District #1

Fiscal Year 2015-2016

Quarterly Investment & Financial Report

Period Ending December 31, 2015

**DICKINSON MANAGEMENT DISTRICT #1
INVESTMENT REPORT
PERIOD ENDING DECEMBER 31, 2015**

<u>Account</u>	<u>Interest Rate</u>	<u>Purchase Date</u>	<u>Due Date</u>	<u>Days to Maturity</u>	<u>Book Value</u>	<u>Beginning Market Value</u>	<u>Ending Market Value</u>	<u>Market Value Change</u>	<u>Interest Paid Year to Date</u>
Capital One	0.35%	NA	Demand	1	\$ 528,628.58	\$ 481,231.48	\$ 528,628.58	\$ 47,397.10	\$ 460.59
Total (all cash & investments)					\$ 528,628.58	\$ 481,231.48	\$ 528,628.58	\$ 47,397.10	\$ 460.59

Weighted Average Rate (WAR) 0.35%

Weighted Average Maturity (WAM) 1.00 days


 Julie M. Robinson, Executive Director

4/26/2016
 Date


 Prepared by: Stephanie Russell, Administrative Services Manager

4/25/2016
 Date

DICKINSON MANAGEMENT DISTRICT #1
FY2015-2016
BUDGET VS. ACTUALS
PERIOD ENDING DECEMBER 31, 2015*

	FY2015-16 Original Budget	FY2015-16 Actual PTD	Under/ (Over)	% of Budget
REVENUE				
Sales Tax Revenue	2,790,000	765,622	2,024,379	27.4%
Interest Income	-	461	(461)	0.0%
TOTAL REVENUE	2,790,000	766,082	2,023,918	27.5%
EXPENDITURES				
380 Rebates	1,980,900	186,827	1,794,073	9.4%
Audit Services	5,500	-	5,500	0.0%
Connect CTY Service	8,363	2,091	6,272	25.0%
EMS - Cardiac Monitor	7,000	-	7,000	0.0%
EMS - Stretcher	40,000	-	40,000	0.0%
Expansion of City Demolition	50,000	-	50,000	0.0%
Expansion of EMS -Medic 2	370,014	-	370,014	0.0%
Financials Services	6,000	1,500	4,500	25.0%
Fixed Route Bus Service	25,000	25,000	-	100.0%
Holiday Decorations	20,000	23,424	(3,424)	117.1%
Insurance Expense	1,457	1,458	(1)	100.1%
Legal Services	5,000	12,500	(7,500)	250.0%
Legislative Services	18,000	4,500	13,500	25.0%
Local Match-Bus Stop Improv.	20,000	-	20,000	0.0%
Major ROW Mowing Service	38,005	9,501	28,504	25.0%
Office Supplies/Postage	500	-	500	0.0%
Red, White & Bayou Sponsorship	25,000	-	25,000	0.0%
Street Light Install	5,000	-	5,000	0.0%
Vehicles & Equipment Purchase	245,400	245,400	-	100.0%
TOTAL EXPENDITURES	2,871,139	512,201	2,358,938	17.8%
REVENUE-EXPENDITURES	(81,139)	253,881	(335,020)	

**Unaudited*

DICKINSON MANAGEMENT DISTRICT NO. 1
BALANCE SHEET
FISCAL YEAR 2015 - 2016
AS OF DECEMBER 31, 2015

Assets

Current Assets

Cash

Capital One - Operating Account 528,629

Total Cash 528,629

Accounts Receivable

Sales Tax Receivable 501,716

Accrued Interest 151

Total Accounts Receivable 501,867

Total Current Assets 1,030,496

Total Assets \$ 1,030,496

Liabilities & Equity

Liabilities

Current Liabilities

Accounts Payable

380 Grants Payable 152,262

General Accounts Payable 91

Total Accounts Payable 152,353

Total Current Liabilities 152,353

Total Liabilities 152,353

Equity

Beginning Fund Balance 624,262

Net Income 253,881

Total Equity 878,143

Total Liabilities & Equity \$ 1,030,496

TAB 5

**Dickinson Management District #1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC:	Briefing and Discussion Concerning Quarterly Investment Report & Financials For Period Ending March 31, 2016.
---------------	--------------------------------------------------------------------------------------------------------------------------

BACKGROUND:	Per the District's Investment Policy, the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This investment report covers the quarter ending March 31, 2016.
--------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

RECOMMENDATION:	None.
------------------------	-------

ATTACHMENTS:	<ul style="list-style-type: none"> Quarterly Investment and Financial Report For FY2015-2016 Quarter Ending March 31, 2016
---------------------	-------------------------------------------------------------------------------------------------------------------------------------------

FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
-----------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

Dickinson Management District #1

Fiscal Year 2015-2016

Quarterly Investment & Financial Report

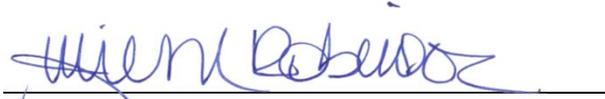
Period Ending March 31, 2016

**DICKINSON MANAGEMENT DISTRICT #1
INVESTMENT REPORT
PERIOD ENDING MARCH 31, 2016**

<u>Account</u>	<u>Interest Rate</u>	<u>Purchase Date</u>	<u>Due Date</u>	<u>Days to Maturity</u>	<u>Book Value</u>	<u>Beginning Market Value</u>	<u>Ending Market Value</u>	<u>Market Value Change</u>	<u>Interest Paid Year to Date</u>
Capital One	0.35%	NA	Demand	1	\$ 547,186.43	\$ 528,628.58	\$ 547,186.43	\$ 18,557.85	\$ 846.33
Total (all cash & investments)					\$ 547,186.43	\$ 528,628.58	\$ 547,186.43	\$ 18,557.85	\$ 846.33

Weighted Average Rate (WAR) 0.35%

Weighted Average Maturity (WAM) 1.00 days



Julie M. Robinson, Executive Director

4/26/2016

Date



Prepared by: Stephanie Russell, Administrative Services Manager

4/25/2016

Date

DICKINSON MANAGEMENT DISTRICT #1
FY2015-2016
BUDGET VS. ACTUALS
PERIOD ENDING MARCH 31, 2016*

	FY2015-16 Original Budget	FY2015-16 Actual PTD	Under/ (Over)	% of Budget
REVENUE				
Sales Tax Revenue	2,790,000	1,206,899	1,583,101	43.3%
Interest Income	-	846	(846)	0.0%
TOTAL REVENUE	2,790,000	1,207,745	1,582,255	43.3%
EXPENDITURES				
380 Rebates	1,980,900	667,264	1,313,636	33.7%
Audit Services	5,500	-	5,500	0.0%
Connect CTY Service	8,363	4,182	4,182	50.0%
EMS - Cardiac Monitor	7,000	-	7,000	0.0%
EMS - Stretcher	40,000	-	40,000	0.0%
Expansion of City Demolition	50,000	25,000	25,000	50.0%
Expansion of EMS -Medic 2	370,014	-	370,014	0.0%
Financials Services	6,000	3,000	3,000	50.0%
Fixed Route Bus Service	25,000	25,000	-	100.0%
Holiday Decorations	20,000	24,992	(4,992)	125.0%
Insurance Expense	1,457	1,413	44	97.0%
Legal Services	5,000	135	4,865	2.7%
Legislative Services	18,000	9,000	9,000	50.0%
Local Match-Bus Stop Improv.	20,000	-	20,000	0.0%
Major ROW Mowing Service	38,005	19,003	19,003	50.0%
Office Supplies/Postage	500	-	500	0.0%
Red, White & Bayou Sponsorship	25,000	25,000	-	100.0%
Street Light Install	5,000	-	5,000	0.0%
Vehicles & Equipment Purchase	245,400	245,400	-	100.0%
TOTAL EXPENDITURES	2,871,139	1,049,389	1,821,750	36.5%
REVENUE-EXPENDITURES	(81,139)	158,356	(239,495)	

**Unaudited*

DICKINSON MANAGEMENT DISTRICT NO. 1
BALANCE SHEET
FISCAL YEAR 2015 - 2016
AS OF MARCH 31, 2016

Assets

Current Assets

Cash

Capital One - Operating Account 547,186

Total Cash 547,186

Accounts Receivable

Sales Tax Receivable 235,377

Accrued Interest 146

Total Accounts Receivable 235,522

Total Current Assets 782,709

Total Assets \$ 782,709

Liabilities & Equity

Liabilities

Current Liabilities

Accounts Payable

380 Grants Payable 91

General Accounts Payable 91

Total Accounts Payable 91

Total Current Liabilities 91

Total Liabilities 91

Equity

Beginning Fund Balance 624,262

Net Income 158,356

Total Equity 782,618

Total Liabilities & Equity \$ 782,709

TAB 6

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC:	Conduct Annual Review Of Investment Policy and Approve Resolution Regarding Annual Review of Investment Policy.
---------------	-----------------------------------------------------------------------------------------------------------------

BACKGROUND:	The District adopted the current Investment Policy on March 7, 2012. Each year, the District conducts an annual review of the Investment Policy to determine if any revisions are needed. This agenda item provides for the annual review of the current Investment Policy. No revisions are recommended at this time.
--------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

RECOMMENDATION:	Staff recommends approval of the Resolution.
------------------------	----------------------------------------------

ATTACHMENTS:	<ul style="list-style-type: none"> • Resolution Regarding Annual Review of Investment Policy • Dickinson Management District Number 1 Investment Policy Adopted March 7, 2012
---------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
-----------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	



ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

WHEREAS, Dickinson Management District No. 1 (the "District") has been legally created and operates pursuant to the general laws of the State of Texas applicable to municipal management districts; and

WHEREAS, the Board of Directors has convened on this date at a meeting open to the public to conduct the District's annual review of its Investment Policy, pursuant to Chapter 49, Texas Water Code, and Chapter 2256, Texas Government Code, as amended; and

WHEREAS, following review, the Board of Directors has determined not to amend the District's current Investment Policy dated March 7, 2012; Now, Therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DICKINSON MANAGEMENT DISTRICT NO. 1 THAT:

The Board of Directors of the District has conducted the District's annual review of its Investment Policy and confirms that the current Investment Policy dated March 7, 2012, shall remain in effect until modified by action of the Board of Directors.

PASSED AND APPROVED this 3rd day of May, 2016.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

DIVIDER PAGE

DICKINSON MANAGEMENT DISTRICT NUMBER 1 INVESTMENT POLICY

I. POLICY STATEMENT

This policy shall provide the guidelines by which the Dickinson Management District #1 (“DMD”) will maintain the minimum amount of cash in its bank accounts to meet daily needs, and to provide protection for its principal and liquidity while receiving the highest yield possible from investing all temporary excess cash. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The policy and strategy shall be reviewed annually by the DMD Board who will formally approve any modifications. This investment policy, as approved, is in compliance with the provisions of the Public Funds Investment Act of Tex. Gov’t. Code Ann. Chapter 2256, hereinafter referred to as the “Act”, as amended and effective September 1, 1997.

II. SCOPE

This Investment Policy applies to the investment activities of the DMD. These funds, as well as funds that may be created from time-to-time, shall be administered in accordance with the provisions of these policies.

III. INVESTMENT OBJECTIVE & STRATEGY

It is the policy of the DMD that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with State and Federal Regulations, applicable Bond Resolution requirements, adopted Investment Policy and adopted Investment Strategy.

In accordance with the Public Funds Investment Act, the following prioritized objectives (in order of importance in accordance with Section 2256.005(d) of the Act), apply for each of the DMD’s investment strategies:

- A. ***Suitability*** – Understanding the suitability of the investment to the financial requirements of the DMD. Any investment eligible in the Investment Policy is suitable for all DMD funds.
- B. ***Safety*** – Preservation and safety of principal. All investments will be of high quality Securities with no perceived default risk. Market price fluctuations will however occur, by managing the weighted average days to maturity for each fund type as specified.
- C. ***Liquidity*** – To enable the DMD to meet operating requirements that might be reasonably anticipated, the DMD’S investment portfolio will remain sufficiently liquid. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active

secondary markets. Short-term investment pools and money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

- D. **Marketability** – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market “spreads” between the bid and offer prices of a particular security type of less than a quarter of a percentage point shall define an efficient secondary market.
- E. **Diversification** – Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated needs of the DMD. Diversifying the appropriate maturity structure will reduce market cycle risk.
- F. **Yield** – Attaining a competitive market yield for comparable security-types and portfolio restrictions are the desired objective. The yield of an equally weighted, rolling six-month treasury bill portfolio shall be the minimum yield objective or “benchmark”. A secondary objective will be to obtain a yield equal to or in excess of a local government investment pool, money market mutual fund or average Federal Reserve discount rate.

The first measure of success in this area will be the attainment of enough income to offset inflationary increases. Even though steps will be taken to obtain this goal, the DMD’s staff shall constantly be cognizant of the standard of care and the investment objectives pursuant to the provisions of the amended Act, Section 2256.006(a).

The Investment Officer shall avoid any transactions that might impair public confidence in the DMD’s ability to govern effectively. The governing body recognizes that in diversifying the portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio’s investment return, provided that adequate diversification has been implemented. The prudence of the investment decision shall be measured in accordance with the tests set forth in Section 2256.006(b) of the Act.

IV. INVESTMENT STRATEGY FOR SPECIFIC FUND GROUPS

Each major fund type has varying cash flow requirements and liquidity needs. Therefore specific strategies shall be implemented considering the fund’s unique requirements and the following shall be considered separate investment strategies for each of the funds mentioned below. The DMD’s funds shall be analyzed and invested according to the following major fund types:

- A. **Operating Funds** – Investment strategies for operating funds and commingled pools containing operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to structure a portfolio, which will minimize volatility during economic cycles. This

may be accomplished by purchasing high quality, short-term securities, which will compliment each other in a laddered maturity structure. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity date of each security.

- B. **Debt Service Funds** – Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date, which exceeds the debt service payment date. A dollar weighted average maturity of 550 days or less will be maintained and calculated by using the stated final maturity date of each security.
- C. **Reserve Funds** – Investment strategies for reserve emergency and contingency funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate fund from securities with a low degree of volatility. Securities should be of high quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities with stated final maturities not exceeding five (5) years. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available, within the desired maturity and quality range, without paying a premium, if at all possible. Such securities will tend to hold their value during economic cycles.
- D. **Construction and Special Purpose Funds** – Investment strategies for construction projects or special purpose fund portfolios will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity of each security.
- E. **Market** prices for all public fund investments will be obtained and monitored through the use of a third party or an online service specific to this purpose.

V. RESPONSIBILITY AND STANDARD OF CARE

- A. **Delegation & Training** – The management responsibility for the investment program is hereby delegated to the DMD Investment Officer as a designated investment officer, pursuant to section 2256.005 subsection f of the Act.

Accordingly, the investment officers, who shall be the Executive Director and the Chief Financial officer of the DMD for the purposes of Section 2256.008 of the Act, shall attend at least one training session relating to their responsibility under the Act within 12 months after assuming duties. These sessions and additional investment training sessions must be completed no less often than once every two fiscal years commencing September 1, 1997 and these investment officers shall receive not less

than 10 hours of instruction relating to investment responsibilities. The training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act. The investment training session shall be provided by an independent source approved by the DMD Board. For purposes of this policy, an “independent source” from which investment training shall be obtained shall include a professional organization, an institute of higher learning or any other sponsor other than a Business Organization with whom the DMD may engage in an investment transaction. Thus, these independent sources will be training sessions sponsored by Government Treasurers Organization of Texas (GTOT), University of North Texas (UNT), Government Finance Officers Association of Texas (GFOAT). No persons may engage in investment transactions except as provided under the terms of this policy.

The Investment Officer shall be responsible for all transactions undertaken, and shall establish a system of control to regulate the activities of the purchase & sale of securities and investments. The controls shall include an annual review by an external auditor. The review will provide internal control by assuring compliance with policies and procedures.

The Mayor, City Council, City Administrator, DMD Board Members, DMD Executive Director, DMD bookkeeper and other Finance employees shall be personally indemnified in the event of investment loss provided the Investment Policies and Guidelines are followed.

- B. **Conflicts of Interest** – All participants in the investment process shall seek to act responsibly as custodians of public assets. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.
- C. **Disclosure** - Anyone involved in investing DMD funds shall file with the DMD Secretary, a statement disclosing any personal business relationship and any material financial interest in a business organization that handle DMD investments. An investment officer has a personal business relationship with a business organization if:
1. The investment officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
 2. Funds received by the investment officer from the business organization exceed 10% of the investment officers gross income for the prior year; or
 3. The investment officer has acquired from the business organization during the prior year investments with a book value of \$2,500 or more for the personal account of the investment officer.

Any investment officer who is related within the second degree by affinity or consanguinity as determined under the Tex. Gov't. Code Ann. Ch. 573 to an individual seeking to sell an investment to the DMD shall file a statement disclosing that relationship with the DMD and the Texas Ethics Commission.

- D. **Prudence** – The standard of prudence to be used by the investment officials shall be the “Prudent Person Rule”, as set forth in Tex. Gov't. Code Ann. Sec. 2256.006 and will be applied in the context of managing an overall portfolio: “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.”

Investment officials acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibilities for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

- E. **Reporting-Quarterly** - The Investment Officer shall submit quarterly an investment report, to the DMD Board, that summarizes recent market conditions, economic developments and anticipated investment conditions. The report shall summarize the investment strategies employed, describe the portfolio in terms of investment securities, maturities, risk characteristics and other features. The report shall include total investment return to date and compare the return with budgetary expectations or projections.

The report shall also contain the following provisions:

- 1) Describe in detail the investment position of the DMD as of the end of the reporting period,
- 2) Prepared jointly by all investment officers,
- 3) Signed by each investment officer,
- 4) Contain a summary statement of each pooled fund including a) beginning market value for the reporting period, b) ending market value for the *period*; and d) fully accrued interest for the reporting period.
- 5) State the book value and market value of each separately invested asset at the end of the reporting period by 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 for which each individual investment was acquired; and
- 8) State the compliance of the investment portfolio of the DMD as it relates to the investment strategy of the DMD and with relevant provisions of the Tex. Gov't. Code Ch. 2256.

- F. **Annual Compliance Audit** – The DMD’s external, independent auditor will conduct an annual review of the quarterly reports in conjunction with the annual financial audit. The results of the audit will be reported to DMD Board Members upon receipt. The audit will review compliance with management control on investments and adherence to this policy.
- G. **Monitoring Procedures** – The DMD bookkeeper shall be responsible for the monitoring of market ratings of investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section 2256.021.
- a. Monthly, the DMD bookkeeper will utilize the third party “Safekeeping Consolidated Statements” to monitor market value of all investments purchased through the approved Broker/Dealer for the District; and
 - b. For any investment that falls below the minimum rating required under the Investment Policy, making that investment an unauthorized investment under the policy, the DMD bookkeeper, after conferring with the Executive Director of the District about the downgrade and potential losses of the bond principle, will proceed to sell the investment in the open market place through one of the District’s authorized broker/dealers.
 - c. Documentation of selling of downgraded investments will be reported to the District’s Board at the next possible scheduled meeting.
- H. **Record Retention:** The guidelines of retaining records for seven years as recommended in the *Texas State Library Municipal Records Manual* should be followed. The District’s bookkeeper shall oversee the filing and/or storing of investment records.

VI. SUITABLE AND AUTHORIZED INVESTMENT SECURITIES

- A. **Active Portfolio Management** – The DMD intends to pursue an active versus a passive investment management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the DMD to benefit from the trade. (Subsection E).
- B. **Authorized Investments** (Per HB 2459 and Sections 2256.009 through 2256.017 of the Act) – Assets of funds of the government of the DMD may be invested in:
1. Obligations of the United States of America, its agencies and instrumentalities (maturing in less than five (5) years; which have a liquid market with a readily determinable market value;
 2. Investment - grade, direct obligations of the State of Texas (maturing in less than two (2) years);
 3. Obligations of the States, agencies thereof, Counties, Cities, and other political subdivisions of any state having been rated as investment quality by a nationally

recognized investment rating firm, and having received a rating of not less than “AA” or its equivalent (maturing in less than two (2) years);

4. Fully insured or collateralized Certificates of Deposit issued by state and national banks or savings bank or a state or federal credit union, domiciled in Texas, guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor or by the explicit full faith and credit of the United States; secured by obligations described in 1 through 3 above, and that have a market value of not less than the principal amount of the certificates but excluding those mortgage backed securities as described in the Tex. Gov’t. Code Sec. 2256.009(b) (maturing in less than one (1) year);
 - a. In addition to the authority to invest funds in certificates of deposit under Subsection 4, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment hereunder:
 - i. The funds are invested by an investing entity through:
 1. A broker that has its main office or a branch office in this State and is selected from a list adopted by the investing entity as required in Section 2256.025; or
 2. The broker or the depository institution selected by the investing entity under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;
 3. The investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section 2257.041(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 CFR Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.
5. Fully collateralized direct repurchase agreements if the repurchase agreement (1) has a defined termination date; (2) is secured by a combination of cash and obligations described by Section 2256.009(a)(1); and (3) requires the securities purchase by the entity or cash held by the entity to be pledged to the entity, held in the entity’s name and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity;;
6. Commercial paper that has a stated maturity of 270 days or less from the date of issuance and is rated A-1 or P-1 or an equivalent rating by at least two nationally recognized rating agencies or rated not less than A-1 or P-1 or an equivalent by one nationally recognized rating agency plus fully secured by an irrevocable letter of credit issued by a domestic bank.

7. a. Public Fund Investment Pools with a weighted average maturity of 90 days or less. The pool must be approved (by resolution) by the DMD Board of Directors to provide services to the DMD. The pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. A public funds investment pool created to function as a money market mutual fund must mark to market daily and, 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 .0995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between .0995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool created to function as a money market mutual fund shall report yield to its investors in accordance with regulations of the Federal Securities and Exchange Commission applicable to reporting by money market funds. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with Section 2256.016 of the Texas Government Code and the investment policies and objectives adopted by the investment pool.

- b. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:
 - (1) the types of investments in which money is allowed to be invested;
 - (2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date of the pool;
 - (3) the maximum stated maturity date any investment security within the portfolio has;
 - (4) the objectives of the pool;
 - (5) the size of the pool;
 - (6) the names of the members of the advisory board of the pool and the dates their terms expire;
 - (7) the custodian bank that will safe keep the pool's assets;
 - (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - (9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - (10) the name and address of the independent auditor of the pool;
 - (11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool;

- (12) the performance history of the pool, including yield, average dollar weighted maturities, and expense ratios;
 - (13) a statement regarding how yield is calculated; and
 - (14) an annual audited financial statement on the investment pool in which the entity has funds invested.
- c. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:
- (1) investment transaction confirmations; and
 - (2) a monthly report that contains, at a minimum, the following information:
 - (A) the types and percentage breakdown of securities in which the pool is invested;
 - (B) the current average dollar-weighted maturity, based on the stated maturities of the pool;
 - (C) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (D) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (E) the size of the pool;
 - (F) the number of participants in the pool;
 - (G) the custodian bank that is safekeeping the assets of the pool;
 - (H) a listing of daily transaction activity of the entity participating in the pool;
 - (I) the yield and expense ratio of the pool;
 - (J) the portfolio managers of the pool; and
 - (K) any changes or addenda to the offering circular.
- d. 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.
- e. 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.
8. An SEC-registered, no load money market mutual fund which has a dollar weighted average stated maturity of 90 days or less whose assets consist exclusively of the assets described in section B.1. and whose investment objectives includes the maintenance of a stable net asset value of \$1 for each share: furthermore, it provides the DMD with a prospectus and other information required by the SEC Act of 1934 or the Investment Advisor Act of 1940 and which provides the DMD with a prospectus and other information required by the

Securities Exchange Act of 1934 (15 USC. Section 78a *et. seq.*) or the Investment Company Act of 1990 (15 USC Section 80a-1 *et. seq.*).

9. Other such securities or obligations which are authorized by the Act as approved by DMD upon recommendation of the Investment Officer.

C. ***Prohibited Investments*** – The DMD’s authorized investment options are more restrictive than those allowed by State law. Furthermore, this policy specifically prohibits investment in the following investment securities.

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

D. ***Diversification***– It is the policy of the DMD to diversify its investment portfolios. The diversification will protect interest income from the volatility of interest rates and the avoidance of undue concentration of assets in a specific maturity sector; therefore, portfolio maturities shall be staggered. Securities shall also be selected and revised periodically by the DMD Board upon recommendation of the Investment Officer. In establishing specific diversification strategies, the two (2) following general policies and constraints shall apply:

1. Risk of market price volatility shall be controlled through maturity diversification and by controlling unacceptable maturity extensions and a mismatch of liabilities and assets. The maturity extension will be controlled by limiting the weighted average maturity of the entire portfolio to 550 days. All long-term maturities will be intended to cover long-term liabilities. In addition, five (5%) percent of the funds in the portfolio will be liquid at all times.
2. The DMD Board shall establish strategies and guidelines for the percentage of the total portfolio that may be invested in U.S. Treasury Securities, federal agency instrumentalities, repurchase agreements, and insured/collateralized certificates of deposit and other securities or obligations.
3. Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations:

<u>Investment Type</u>	<u>% of Portfolio</u>
• U.S. Treasury Notes/Bills	100%
• U.S. Agencies & Instrumentalities	100%
• State of Texas Obligations & Agencies	15%
• Local Government Investment Pools	50%
• Local Government Obligations (AA)	10%
• Repurchase Agreements	25%
• Certificates of Deposit	100%
• U.S. Government Money Market Funds	50%
• U.S. Treasury Notes & U.S. Agency Callables	35%

By Institution:

Repurchase Agreements	No more than 10%
All Other	No more than 40%
Investment Pools	No more than \$10,000,000

- D. **Security swaps** may be considered as an investment option for the DMD. A swap out of one instrument into another is acceptable to increase yield, realign for disbursement dates, extend or shorten maturity dates and improve market sector diversification. Swaps may be initiated by brokers/dealers who are on the DMD's approved list. A horizon analysis is required for each swap proving benefit to the DMD before the trade decision is made, which will accompany the investment file for record keeping.
- E. All investments (governments or bank CD's) will be solicited on a competitive basis with at least three (3) institutions. The DMD Board can approve exceptions on a case by case basis or on a general basis in the form of guidelines. These guidelines shall take into consideration the investment type maturity date, amount, and potential disruptiveness to the DMD's investment strategy. The investment will be made with the broker/dealer offering the best yield/quality to the DMD. The quotes may be accepted orally, in writing, electronically, or any combination of these methods.

VII. SELECTION OF BANKS AND DEALERS

- A. **Investment Brokers/Dealers** – The DMD Board shall be responsible for adopting the list of brokers and dealers of government securities. Their selection shall be among only primary government securities dealers that report directly to the New York Federal Reserve Bank, unless a comprehensive credit and capitalization analysis reveals that other firms are adequately financed to conduct public business. The DMD Board shall base its evaluation of security dealers and financial institutions upon:
1. Financial conditions, strength and capability to fulfill commitments;

2. Overall reputation with other dealers or investors;
3. Regulatory status of the dealer;
4. Background and expertise of the individual representatives.

The Investment Officer shall conduct business with securities dealers approved by the DMD or with banks selected as outlined in VII. Furthermore, the Board must annually review this list of qualified brokers authorized to engage in investment transactions with the DMD. Investment Officers shall not conduct business with any firm with whom public entities have sustained losses on investments or whose name the Board has removed from an approved list.

- B. **Compliance** – A qualified representative from any firm offering to engage in investment transactions with the DMD is required to sign a written instrument. This certifies that they have received and reviewed a written copy of the DMD’s Investment Policy. The firm must acknowledge that it has implemented reasonable procedures and controls in an effort to preclude investments between the DMD and the firm that are not authorized by the DMD’s investment policy. Approved brokers and dealers must complete Exhibit A and return it to the Investment Officer. The DMD’s investment officer(s) may not transact business from a person who has not delivered the required written instrument to the DMD.
- C. **Diversification** – To guard against default possibilities under these conditions, and to assure diversification of bidders, business with any one issuer, or investment broker, should be limited to (40%) percent of the total portfolio at any point in time. In this way, bankruptcy, receivership or legal action would not immobilize the DMD’s ability to meet payroll or other expenses.

VIII. PRINCIPAL PROTECTION AND SAFEKEEPING

- A. All banks’ and credit unions’ deposits and investments of DMD funds shall be secured 100% by FDIC or NCUA Insurance. Evidence of proper collateralization in the form of original safekeeping receipts held in the institution’s trust department or at a third party institution not affiliated with the bank or bank holding company will be maintained in the office of the Investment Officer at all times. The Investment Officer or DMD bookkeeper will approve and release all pledged collateral. Collateral will be reviewed monthly to assure the market value of the securities pledged exceeds investments and/or the related bank balances by the Investment Officer.
- B. **Collateral Defined** – The DMD shall accept only the following securities as collateral:
1. FDIC and NCUA insurance coverage.
 2. Federal Home Loan Bank Board Letter of Credit

- C. **Delivery vs. Payment** – All transactions will be executed with authorized security dealers and financial institutions on a delivery-versus-payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the Trustee received the collateral. The collateral shall be held in the name of the DMD or held on behalf of the DMD. The Trustee's records shall assure the notation of the DMD's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the DMD's bookkeeper.
- D. **Subject to Audit** – All collateral shall be subject to inspection and audit by the Investment Officer, or designee, as well as, the DMD's independent auditors.

IX. MANAGEMENT AND INTERNAL CONTROLS

The DMD bookkeeper, or designee, shall establish a system of internal controls, which shall be reviewed by an independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or Investment Officers of the DMD.

Controls and managerial emphasis deemed most important that shall be employed include the following:

Imperative Controls:

- Custodian safekeeping receipts records management
- Avoidance of bearer-form securities
- Documentation of investment bidding events
- Written confirmation of telephone transactions
- Reconcilements and comparisons of security receipts with the investment subsidiary records
- Compliance with investment policies
- Verification of all interest income and security purchase and sell computations

Controls Where Practical:

- Control of Collusion
- Separation of duties
- Separation of transaction authority from Accounting and Record-keeping
- Clear delegation of authority
- Accurate and timely reports
- Validation of investment maturity decisions with supporting cash flow data
- Adequate training and development of Investment Officials
- Review of financial conditions of all brokers, dealers, and depository institutions
- Staying informed about market conditions

TAB 7

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC:	Approve Sworn Statements And Oaths Of Office For Directors Browne And Fulcher
---------------	-------------------------------------------------------------------------------

BACKGROUND:	<p>With the reappointment of Directors Browne, Dunbaugh and Fulcher in 2015, the Board needs to approve the Sworn Statements and Oaths of Office for those Directors. On August 20, 2015, the Board approved the Sworn Statement and Oath of Office for Director Dunbaugh. Since that date, Directors Browne and Fulcher have executed both documents, and they are submitted for the Board's consideration and approval.</p> <p>This agenda item will approve the Sworn Statements and Oaths of Office for Directors Browne and Fulcher.</p>
--------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

RECOMMENDATION:	None
------------------------	------

ATTACHMENTS:	<ul style="list-style-type: none"> Sworn Statements and Oaths of Office for Directors Browne and Fulcher
---------------------	-------------------------------------------------------------------------------------------------------------------------

FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted.
-----------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

In the name and by the authority of

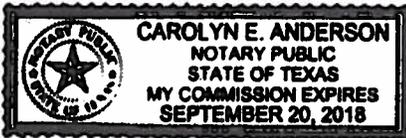
THE STATE OF TEXAS

OATH OF OFFICE

I, C. Wayne Browne, D.C., do solemnly swear (or affirm), that I will faithfully execute the duties of the office of Director of Dickinson Management District No. 1, of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.


C. WAYNE BROWNE, D.C.

SWORN TO and subscribed before me by C. Wayne Browne, D.C. on this 10th day of September, 2015.




Notary Public, State of Texas

(NOTARY SEAL)

STATEMENT OF ELECTED/ APPOINTED OFFICER

(Pursuant to Tex. Const. Art. XVI, Section 1(b), amended 2001)

I, C. Wayne Browne, D.C., do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING STATEMENT AND THAT THE FACTS STATED THEREIN ARE TRUE.

9/10/15
Date

C. Wayne Browne, D.C.
Affiant's Signature

Director
Position to Which Appointed

Dickinson Management District No. 1
Political Subdivision Name

STATEMENT OF ELECTED/ APPOINTED OFFICER

(Pursuant to Tex. Const. Art. XVI, Section 1(b), amended 2001)

I, Perry Fulcher, M.D., do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING STATEMENT AND THAT THE FACTS STATED THEREIN ARE TRUE.

8/24/2015
Date


Affiant's Signature

Director
Position to Which Appointed

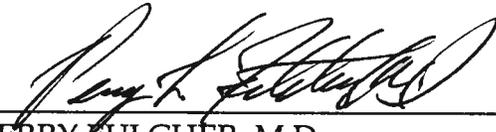
Dickinson Management District No. 1
Political Subdivision Name

In the name and by the authority of

THE STATE OF TEXAS

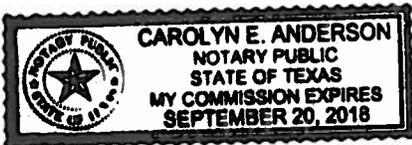
OATH OF OFFICE

I, Perry Fulcher, M.D., do solemnly swear (or affirm), that I will faithfully execute the duties of the office of Director of Dickinson Management District No. 1, of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.



PERRY FULCHER, M.D.

SWORN TO and subscribed before me by Perry Fulcher, M.D. on this 24th day of August, 2015.



(NOTARY SEAL)



Notary Public, State of Texas

TAB 8

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC: Accept Annual Disclosure Statements For Executive Director And Bookkeeper, Both Of Whom Are Investment Officers For The District.

BACKGROUND: This is an annual item for the Board's acceptance.

RECOMMENDATION: Staff recommends acceptance of the annual Disclosure Statements for the Executive Director and Bookkeeper.

ATTACHMENTS:

- Disclosure Statement Under Public Funds Investment Act for Julie M. Robinson, Executive Director
- Disclosure Statement Under Public Funds Investment Act for Stephanie Russell, Bookkeeper

FUNDING ISSUES

Not applicable
 Not budgeted
 Full Amount already budgeted.
 Funds to be transferred from Acct.# - -

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	



ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

MEMORANDUM

Date: April 25, 2016

To: Board of Directors
Dickinson Management District No. 1(the "District")

Copy: Board of Directors
Attorney for the District
Bookkeeper for the District
Texas Ethics Commission

From: Julie M. Robinson, Executive Director

Subject: DISCLOSURE UNDER THE PUBLIC FUNDS INVESTMENT ACT

As Executive Director and Investment Officer for the District, I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District as of the date of this memorandum, in compliance with the Public Funds Investment Act and with the District's Investment Policy.

1. I have the following "personal business relationships" with individuals or entities who are offering to engage, have offered to engage or may offer to engage in an investment transaction with the District.

(a) I own (i) ten per cent (10%) or more of the voting stock or shares or (b) \$5,000 or more of the fair market value of the following business organizations: None

_____.

(b) I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year: None

_____.

(c) I acquired from the following business organizations during the previous year investments with a book value of \$2,500 or more for my personal account: None

_____.

2. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell an investment to the District: None

_____.

3. I acknowledge that this disclosure will be filed with the Board of Directors of the District and the Texas Ethics Commission by the District.



(SIGNATURE)

MEMORANDUM

Date: April 25, 2016

To: Board of Directors
Dickinson Management District No. 1(the "District")

Copy: Board of Directors
Attorney for the District
Bookkeeper for the District
Texas Ethics Commission

From: Stephanie Russell

Subject: DISCLOSURE UNDER THE PUBLIC FUNDS INVESTMENT ACT

As bookkeeper and Investment Officer for the District, I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District as of the date of this memorandum, in compliance with the Public Funds Investment Act and with the District's Investment Policy.

1. I have the following "personal business relationships" with individuals or entities who are offering to engage, have offered to engage or may offer to engage in an investment transaction with the District.

(a) I own (i) ten per cent (10%) or more of the voting stock or shares or (b) \$5,000 or more of the fair market value of the following business organizations: NA

_____.

(b) I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year: NA

_____.

(c) I acquired from the following business organizations during the previous year investments with a book value of \$2,500 or more for my personal account: NA

_____.

2. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell an investment to the District: NA

_____.

3. I acknowledge that this disclosure will be filed with the Board of Directors of the District and the Texas Ethics Commission by the District.

(SIGNATURE)

TAB 9

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

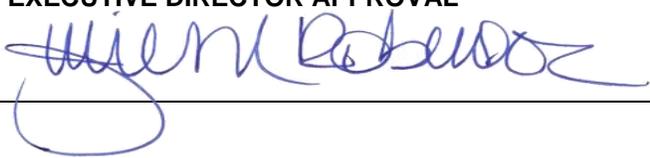
TOPIC:	Review, Revise and Approve Fiscal Year 2015-2016 First Amended Budget
---------------	-----------------------------------------------------------------------

BACKGROUND:	<p>Based on actuals over the course of this fiscal year as well as additional projects, it is necessary to approve a First Amended Budget for Fiscal Year 2015-2016.</p> <p>The First Amended Budget submitted for the Board's consideration includes:</p> <ol style="list-style-type: none"> (1) The increased Sales Tax Revenue of \$60,000.00 and Interest Income of \$1,400.00; (2) 380 Rebates are increased by \$14,100.00 based on the projected increase in Sales Tax Revenues; (3) With regard to EMS items, there is a reallocation of \$7,000.00 for the AEDs to a new line item for an Inventory Management System for EMS. The AEDs have been donated to the City, so EMS no longer needs to purchase them. However, an Inventory Management System is needed in order to assist EMS with accurately managing its inventory particularly for the ambulances. Therefore, the request is to reallocate the funding that was originally included for the AEDs to the purchase of an Inventory Management System. The supplemental amount to EMS has been increased by \$32,500 due to updated salary and benefit projections for the Department. The line item for the EMS stretcher has been increased by \$2,631 due to the cost to install the stretcher mounting/charging equipment into the ambulance; (4) The placeholder for the Holiday Decorations has been increased by \$5,000 based on actuals; (5) The line item for the 50% Contribution Toward Construction of Accessible Ramp in Paul Hopkins Park (Joint Project with Galveston County) was approved by the Board for Fiscal Year 2013-2014. However, Galveston County was unable to move forward with the project in that Fiscal Year, so the funding went back into the District's Fund Balance. Galveston County moved forward with the project in October/November of 2015, so the funding has been included in the proposed First Amended Budget;
--------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ACTIONS TAKEN

APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER
-----------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------	--------------

**Dickinson Management District Number 1
Agenda Item Data Sheet**

<p>(6) Due to an equity return from TML, insurance actuals are less than originally budgeted; and,</p> <p>(7) The line item for Street Light Installations has been increased by \$1,600 based on the actual cost for installation of decorative street lights in the Highway 3 Overlay District.</p> <p>With these revisions, the Fiscal Year 2015-2016 First Amended Budget is anticipated to utilize \$99,926.00 of Fund Balance which is \$18,787.00 more than was already included in the Fiscal Year 2015-2016 Adopted Budget. There is a good possibility that the Sales Tax Revenues will increase over the amount in the proposed First Amended Budget, and, if that is the case, another amended budget will be brought forward to the Board closer to the end of the fiscal year.</p>	
RECOMMENDATION:	
Staff requests approval of the proposed Fiscal Year 2015-2016 First Amended Budget.	
ATTACHMENTS:	
<ul style="list-style-type: none"> • Fiscal Year 2015-2016 First Amended Budget 	
FUNDING ISSUES	
<input type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted.	
SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

**DICKINSON MANAGEMENT DISTRICT #1
FY2015-2016 PROPOSED FIRST AMENDED BUDGET**

	<u>FY 2013-14 Actual</u>	<u>FY2014-15 Actual</u>	<u>FY2015-16 Original Budget</u>	<u>FY2015-16 1st Amended Budget</u>	<u>Increase/ (Decrease)</u>
REVENUE					
Sales Tax Revenue	2,597,973	2,787,143	2,790,000	2,850,000	60,000
Interest Income	-	394	-	1,400	1,400
TOTAL REVENUE	<u>2,597,973</u>	<u>2,787,537</u>	<u>2,790,000</u>	<u>2,851,400</u>	<u>61,400</u>
EXPENDITURES					
380 Rebates	1,822,947	1,931,246	1,980,900	1,995,000	14,100
Audit Services	3,530	5,500	5,500	5,500	-
Connect CTY Service	8,363	8,363	8,363	8,363	-
EMS - Cardiac Monitor	36,684	-	7,000	-	(7,000)
EMS - Stretcher	-	-	40,000	42,631	2,631
EMS - Inventory Management Software	-	-	-	7,000	7,000
Expansion of City Demolition	35,000	35,000	50,000	50,000	-
Expansion of EMS -Medic 2	178,422	224,562	370,014	402,514	32,500
Financials Services	6,000	6,000	6,000	6,000	-
Fixed Route Bus Service	25,000	25,000	25,000	25,000	-
Holiday Decorations	-	-	20,000	25,000	5,000
Improv. at Paul Hopkins Park	-	-	-	24,400	24,400
Insurance Expense	1,478	1,478	1,457	1,413	(44)
Legal Services	639	5,633	5,000	5,000	-
Legislative Services	6,000	13,500	18,000	18,000	-
Local Match-Bus Stop Improv.	-	20,000	20,000	20,000	-
Major ROW Mowing Service	38,005	38,005	38,005	38,005	-
Map Layers - GIS	5,200	-	-	-	-
Office Supplies/Postage	43	126	500	500	-
Rain Barrel Workshop Sponsorship	-	1,200	-	-	-
Red, White & Bayou Sponsorship	25,000	25,000	25,000	25,000	-
Street Light Install	-	-	5,000	6,600	1,600
Survey Services	3,400	3,400	-	-	-
Website Redevelopment	23,258	-	-	-	-
Vehicles & Equipment Purchase	-	278,000	245,400	245,400	-
TOTAL EXPENDITURES	<u>2,218,969</u>	<u>2,622,013</u>	<u>2,871,139</u>	<u>2,951,326</u>	<u>80,187</u>
REVENUE-EXPENDITURES	<u>379,004</u>	<u>165,524</u>	<u>(81,139)</u>	<u>(99,926)</u>	
Beginning Fund Balance	79,734	458,738	624,262	624,262	
ENDING FUND BALANCE	<u>458,738</u>	<u>624,262</u>	<u>543,123</u>	<u>524,336</u>	

TAB 10

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC: Review, Revise and Approve Resolution Ratifying Execution of Sponsorship Agreement with Del Papa Distributing Co. for 2016 Red, White & Bayou Crawfish and Texas Music Festival By Board President.

BACKGROUND: For the last several years, the District has participated in sponsorship agreements in conjunction with participation by the City of Dickinson in Red, White & Bayou Crawfish and Texas Music Festival. Pursuant to such previous participation by the District, the Board President executed a Sponsorship Agreement with Del Papa Distributing Co. for the 2016 Red, White & Bayou Crawfish and Texas Music Festival on February 5, 2016.

This Resolution would ratify President Fulcher's execution of the Sponsorship Agreement with Del Papa Distributing for the 2016 Red, White & Bayou Crawfish and Texas Music Festival.

RECOMMENDATION: Staff recommends approval of the Resolution.

ATTACHMENTS: • Resolution Ratifying Execution Of Sponsorship Agreement With Del Papa Distributing Co. For 2016 Red, White & Bayou Crawfish And Texas Music Festival By Board President

FUNDING ISSUES Not applicable
 Not budgeted
 Full Amount already budgeted.
 Funds to be transferred from Acct.# - -

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	



ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

RESOLUTION RATIFYING EXECUTION OF SPONSORSHIP AGREEMENT WITH
DEL PAPA DISTRIBUTING CO. FOR 2016 RED, WHITE & BAYOU
CRAWFISH AND TEXAS MUSIC FESTIVAL BY BOARD PRESIDENT

WHEREAS, Dickinson Management District No. 1 (the "District") has been legally created and operates pursuant to the general laws of the State of Texas applicable to municipal management districts; and

WHEREAS, the District has participated in sponsorship agreements in conjunction with participation by the City of Dickinson in Red, White & Bayou Crawfish and Texas Music Festival; and

WHEREAS, pursuant to such previous participation by the District, the Board President executed a Sponsorship Agreement with Del Papa Distributing Co. for the 2016 Red, White & Bayou Crawfish and Texas Music Festival on February 5, 2016 ("Sponsorship Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein; and

WHEREAS, upon review and consideration of all matters attendant and related thereto, the Board of Directors finds and determines that the actions of the Board President related to executing the Sponsorship Agreement with Del Papa Distributing Co. for the 2016 Red, White & Bayou Crawfish and Texas Music Festival should be ratified in all respects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DICKINSON MANAGEMENT DISTRICT NO. 1 THAT:

The actions of the Board President taken for and on behalf of the District in executing, verifying, acknowledging, certifying to, filing and delivering the Sponsorship Agreement with Del Papa Distributing Co. for the 2016 Red, White & Bayou Crawfish and Texas Music Festival are ratified in all respects.

PASSED AND APPROVED this 3rd day of May, 2016.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

EXHIBIT “A”

TO

RESOLUTION
RATIFYING EXECUTION
OF SPONSORSHIP
AGREEMENT WITH DEL
PAPA DISTRIBUTING
CO. FOR 2016 RED,
WHITE & BAYOU
CRAWFISH AND TEXAS
MUSIC FESTIVAL BY
BOARD PRESIDENT



888-433-5727 • Fax: 409-741-4554 • 1220 Gulf Freeway • Texas City, Texas 77591

"Quality people building brands and friendships... one case at a time."

01-12-15 11:46 AM

December 10, 2015

Dr. Perry Fulcher

Mr. C. Wayne Brown
Dickinson Management District I Chairman
4403 Highway 3
Dickinson, TX 77539



Re: Red, White & Bayou Festival

May 21, 2016

Dear Mr. Brown,

Del Papa Distributing Co. is pleased to have the opportunity to co-sponsor this worthwhile community event. As a Class B Wholesaler in the State of Texas, Del Papa must comply with all laws and regulations as stipulated in the Code of The Texas Alcoholic Beverage Commission. The Marketing Practices section as defined in The Code, regulates the relationship between a wholesaler and legitimate civic, religious, charitable (501-C3), or non-profit organizations as well as retailers licensed to sell beer. Any co-sponsorship contract must adhere to these marketing practice stipulations as they relate to special events.

The Alcoholic Beverage Code requires that any license or permit to sell or serve alcoholic beverages at a civic, religious, or charitable event must be held by a retailer who is independent of the sponsors. The permit holder of an event may not receive any direct benefit or service because of a joint sponsorship with a wholesaler or manufacturer of alcoholic beverages. Further, manufacturers, wholesalers, or retailers cannot coerce, persuade, or induce civic, religious, or charitable groups to persuade the independent retailer to engage in activities that are prohibited by provisions of the Alcoholic Beverage Code. Pursuant to these guidelines as stipulated by the T.A.B.C., Del Papa Distributing Co. proposes the following co-sponsorship package between the City of Dickinson and Del Papa Distributing Co./Budweiser.

- **Sponsorship Hard Dollars (gross) \$8,000.00**

Activity Detail

CASH FLOW	
• Net Sponsorship Hard Dollars	\$8,000
IN-KIND	
• Media - Del Papa will schedule all "Media" (radio, outdoor, digital, etc.) in conjunction with the promoter's advertising plan. "Media Added Value" elements executed by Del Papa are intended to supplement the advertising efforts of the event promoter and should not be the sole source of advertising. Del Papa's ability to secure certain media (i.e. radio and outdoor) can be dependent on an established relationship between the event promoter and media outlet.	\$7,500
• At least one spot on Del Papa's digital billboard for one month prior to event. To post on or before April 18, 2016.	\$2,000
• "Take to Retail" - Signage produced for pre-event promotion to be distributed by our sales force. Also includes an allowance for up to 200 posters delivered to the co-sponsor, at the co-sponsor's request, to be distributed by the co-sponsor. Artwork to be approved by co-sponsor prior to printing.	\$2,500
• Gifts of beer (up to, but not to exceed, stated value)	\$500
• Gifts of merchandise - (i.e. custom can coolers, custom neons, guitar for auction, gift bags, etc.)	\$2,000
• Brand Image support - Tailgate Trailer for V.I.P. area (30 AMP electrical outlet required)	\$3,000
• Corporate Social Responsibility	\$800

In return for the value of this co-sponsorship with the non-licensed entity, Del Papa Distributing Co. asks for the following:

- Exclusive channel marketing rights to the event commensurate with published sponsorship levels.
- A minimum of two logos present in all pre-event publicity including social media, newsprint, brochures, posters, flyers, television, outdoor, newsletters, etc., as well as inclusion in all pre-event radio publicity (current logos appear at the top of this contract):
 - Budweiser Logo
 - Corporate Social Responsibility logo
 - Del Papa Logo

Please confirm that all collateral contains current logos. If updated logos are needed, contact Lauren Nallie, Graphic Design Coordinator at lauren.nallie@delpapabud.com.

- On-site merchandising opportunities appropriate to the venue and in accordance with "Point of Purchase" stipulation by the T.A.B.C. and commensurate with other corporate sponsorship levels, to include but not limited to inflatable, neons, banners, pennant stringers, table tents, pricing and reminding material, stage scrims, etc. Del Papa reserves the right to limit the production of any signage beyond what is allowed for in this agreement.
- General admission tickets, VIP access, and parking passes where appropriate and commensurate with sponsorship level.
- Announcer mentions where appropriate specifically referencing Del Papa Distributing and Budweiser, This Bud's For You.
- Opportunities to promote the event via social media to include ticket give-aways, VIP experience, etc., where appropriate.
- First right of refusal on the 2017 event.

It should be understood that under the authority granted by Senate bill 1380, a beer wholesaler in the State of Texas is not permitted to exercise control or supervision over an event it sponsors; therefore, Texas law grants protection to beer wholesalers who sponsor events relative to "Sponsor Liability".

Attached please find a Retailer Certification form that must be signed by the permittee; i.e., concessionaire. In so doing, the permittee acknowledges that this co-sponsorship agreement is in no way tied to product exclusivity, also known as "Pouring Rights". The signed contract and Retailer Certification must be returned prior to the date of the event. **Failure to do so will render this sponsorship agreement null and void.** Please return by mail, the signed documents, along with your invoice for the unencumbered donation to our Marketing Administrative Assistant.

Mail to: Marcus McGowen, 1220 Gulf Freeway, Texas City, TX 77591

Once again, Del Papa Distributing Co. is pleased to have the opportunity to support this worthwhile community endeavor. Thank you for including us in your plans.

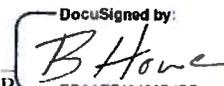
Sincerely,



Matthew Sweatt
Special Event Marketing Director
Del Papa Distributing Co.

APPROVED
By William Falkenhagen at 12:14 pm, Dec 17, 2015
William A. Falkenhagen Date

Executive Vice President / C.O.O.

DocuSigned by:
 12/15/2015 Date
B ED3AF549168B4B7... Date
Director, Marketing

Alex Guidroz 12/16/2015 Date
Vice President, Sales/ Marketing

 2/15/2016 Date
Event Representative
Dickinson Management District #1
(President)

cc: L. Carcano
W. Foegelle
T. Gallardo
B. Hoyland
B. Howe
L. Nallie
M. Stevens

TAB 11

TAB 12

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC: Review, Revise and Approve Resolution Ratifying Execution of Agreement with Always In Season Decorating Services, Inc. for Custom Holiday Decorations by Executive Director.

BACKGROUND: In the FY 2015-2016 Adopted Budget, the District allocated \$20,000.00 for holiday decorations within the District. Based on previous discussions, it was my understanding that the Board desired to start with decorations at the intersection of I-45 and FM 517 and, if additional funds were available, to have banners or decorations of some kind along FM 517 heading east from I-45 toward Paul Hopkins Park to line the path that most traffic would follow to get to the Festival of Lights.

After discussions with different companies that erect holiday decorations for commercial customers as well as other Management Districts that erect holiday decorations and Directors Casey and Dunbaugh, I moved forward with executing an Agreement with Always In Season Decorating Services, Inc. for 18' Christmas trees to be erected at the four corners of I-45 and FM 517. Graphics reflecting where the trees would be located are provided with this agenda item, and the trees were in fact erected in basically the areas represented in the graphics.

While the total amount of the Agreement was originally \$16,770.81, the LED lights had to be removed from the services because it was not possible to get electricity to each of the corners prior to the installation of the trees. The total amount paid to Always In Season was \$13,839.82.

This Resolution would ratify my execution of the Agreement with Always In Season Decorating Services, Inc.

RECOMMENDATION: Staff recommends approval of the Resolution.

ATTACHMENTS:

- Resolution Ratifying Execution of Agreement With Always In Season Decorating Services, Inc. for Custom Holiday Decorations by Executive Director
- Tree Graphics for the Four Corners at I-45 and FM 517

FUNDING ISSUES

Not applicable
 Not budgeted
 Full Amount already budgeted.
 Funds to be transferred from Acct.# - -

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN

APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER
-----------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------	--------------

RESOLUTION RATIFYING EXECUTION OF AGREEMENT WITH
ALWAYS IN SEASON DECORATING SERVICES, INC. FOR CUSTOM HOLIDAY
DECORATIONS BY EXECUTIVE DIRECTOR

WHEREAS, Dickinson Management District No. 1 (the "District") has been legally created and operates pursuant to the general laws of the State of Texas applicable to municipal management districts; and

WHEREAS, in the Fiscal Year 2015-2016 Adopted Budget, the Board of Directors approved and funded holiday decorations to be placed within the District ("Program"); and

WHEREAS, pursuant to such approval and in order to proceed with the Program, the Executive Director executed an Agreement for Custom Holiday Decorations with Always In Season Decorating Services, Inc. for the Program on October 5, 2015 ("Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein; and

WHEREAS, upon review and consideration of all matters attendant and related thereto, the Board of Directors finds and determines that the actions of the Executive Director related to executing the Agreement with Always In Season Decorating Services, Inc. should be ratified in all respects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DICKINSON MANAGEMENT DISTRICT NO. 1 THAT:

The actions of the Executive Director taken for and on behalf of the District in executing, verifying, acknowledging, certifying to, filing and delivering the Agreement in order to effect the engagement of Always In Season Decorating Services, Inc. are ratified in all respects.

PASSED AND APPROVED this 3rd day of May, 2016.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

EXHIBIT "A"
TO
RESOLUTION
RATIFYING EXECUTION
OF AGREEMENT WITH
ALWAYS IN SEASON
DECORATING
SERVICES, INC. FOR
CUSTOM HOLIDAY
DECORATIONS BY
EXECUTIVE DIRECTOR

ALWAYS IN SEASON DECORATING SERVICES, INC.



701 East 6^{1/2} Street
Houston, Texas 77007

(713) 681-1414
(713) 681-2090 Fax
contact@AlwaysInSeason.com

Custom Holiday Decorations

September 29, 2015

Ms. Julie Robinson
Dickinson Management District #1
4403 TX-3
Dickinson, TX 77539

Dear Ms. Robinson:

Thank you for inviting Always In Season Decorating Services, Inc. to present our designs and concepts for your holiday decorating. It is our goal to provide services and products which exceed your expectations. We will coordinate all aspects of your program including, but not limited to, the following:

- Creative and original designs
- Highest quality materials
- Supervised professional preparation & decorating service for all decor
- On-site management to supervise all aspects of the program
- Final touches to provide an overall pleasing & finished look
- Competitive Pricing

Always In Season was founded twenty three years ago by a team of experienced professionals and has gained a city wide reputation for first quality service with over four hundred and fifty clients. A representative list of our clients include:

Houston Downtown District	Upper Kirby District	Trademark Property Company
Hines	IAH & Hobby Airports	Sugar Land Town Square
Highland Village	Gables West Ave	Marathon Oil Tower
Sienna Plantation	The Woodlands Mall	BP

The total annual **Lease price**, as outlined in the attached inventory is : **\$16,770.81*†**

Prices Are Valid Until October 2, 2015

* Prices Do Not Include Sales Tax

† The lease price is based on a 3 year lease.
(The Lease is a 3 Year Commitment.)

75% Due Upon Acceptance, 25% Due After Installtion

If this agreement is terminated prior to the initial term specified above, an early termination fee equal to 50% of the annual lease price is required for each remaining holiday season. This fee is to reimburse Always In Season Decorating Services, Inc. for the amortized costs of initial design and fabrication of leased holiday decorations.

Our prices take into consideration that electrical service will be in place for all decor, therefore our prices do not include any such service. We cannot run extension cords over any traffic area or over 15' in length. Any extension cords used will be billed as an additional cost. When power requirements are specified, they are quoted at exact amperage. No allowance has been made for maximum capacity of each circuit. Power to be provided in duplex outlet with "Wet Location" in use cover for exterior areas. Please note that we cannot be responsible for tripped breakers or GFCI receptacles.

As part of our service all tools and labor for your installation are included. Any and all hangers will be installed at the discretion of Always In Season Decorating Services, Inc. unless specifically noted otherwise. Once the program is installed, we cannot be responsible for vandalism, non-working light bulbs or force majeure. Requests for installation over the Thanksgiving weekend are taken on a first come first served basis and are subject to an additional fee.

Except as noted on the attached inventory, our prices do not include maintenance services. Maintenance will be performed on an "as requested" basis with a 24 hour response time. Charges will be \$40.00 per man hour plus lift rental if applicable. Supplies, including light bulbs, will be billed as an additional cost.

The enclosed illustrations, concepts and designs remain the exclusive copyrighted property of Always In Season Decorating Services, Inc. until released in writing or until financial arrangements are agreed upon and we are in possession of a signed proposal.

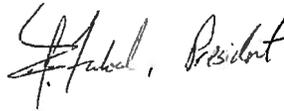
We would like you to know that we are very excited about the opportunity to work with Dickinson Management District #1 on this project and, if necessary, will do whatever we can to change or revise this proposal to meet your needs. Your satisfaction is our primary goal.

If you have any questions or require additional information, please do not hesitate to contact us at 713/681-1414 or email me at RParis@AlwaysInSeason.com. Once again, thank you for inviting Always In Season Decorating Services, Inc. to present our proposal for your holiday decorating. We look forward to the opportunity to serve as your holiday decorating solution.

Sincerely,



Robert Paris



E.J. Farhood

Accepted by:



Date:

10-5-15

Printed Name & Title:

JULIE M. ROBINSON, Executive Director
(Please sign and return via fax to 713-681-2090.)

This proposal is valid until 10/2/2015. Please see inventory for prices after this date

PROPOSAL

INVENTORY OF HOLIDAY DECORATIONS

SEPTEMBER 29, 2015

PAGE 1

ALWAYS IN SEASON
DECORATING SERVICES, INC.
Custom Holiday Decorations



COMPANY NAME: Dickinson Management District #1
ADDRESS: 4403 TX-3
Dickinson, TX 77539
CONTACT: Ms. Julie Robinson

CUSTOMER NUMBER
16949
CONTROL NUMBER
9900

INVENTORY

LOCATION:

Intersection Of I-45 and FM 517

At All 4 Corners (see drawings)

5 Amps Per Tree

<u>Qty</u>	<u>Decorations</u>	<u>New/Existing</u>	<u>Lease Price</u>
4	Tree 18' x 48" Pencil Cone Self Standing Green / Clear / Ird	New	\$6,922.96
4	Deco Package Pencil Cone Tree 18' Red Green Gold	New	\$4,073.34
4	Bow Glitter Classic 36" (Tree Topper 18') With Long Tails (120" & 168") (COLOR?)	New	\$1,434.95
80	Light Set Mini 50 LED - WARM WHITE (4 x 6 x 4) (Green Wire End to End)	New	\$2,930.99

LOCATION:

<u>Qty</u>	<u>Decorations</u>	<u>New/Existing</u>	<u>Lease Price</u>
2	Boom Lift 45' Rental - Daily	New	\$621.43
2	Lift Delivery (Scissor upto 45' Knuckle)	New	\$393.57
2	Lift Pickup From Job Site (Scissor upto 45' Knuckle)	New	\$393.57

	<u>Lease Option*†</u>
<u>Removal:</u>	Included
<u>Storage:</u>	Included
<u>Total:</u>	\$16,770.81

This Proposal Expires After October 2, 2015

* Prices do not include sales tax.

† The lease price is based on a 3 year lease.
(The Lease is a 3 Year Commitment.)

DIVIDER PAGE









TAB 13

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC: Review, Revise and Approve Resolution Ratifying Execution of Agreement with Ambius for Custom Holiday Decorations by Executive Director.

BACKGROUND: In the FY 2015-2016 Adopted Budget, the District allocated \$20,000.00 for holiday decorations within the District. Based on previous discussions, it was my understanding that the Board desired to start with decorations at the intersection of I-45 and FM 517 and, if additional funds were available, to have banners or decorations of some kind along FM 517 heading east from I-45 toward Paul Hopkins Park to line the path that most traffic would follow to get to the Festival of Lights.

After executing an Agreement with Always In Season Decorating Services, Inc., there was approximately \$6,000.00 remaining in the amount that had been allocated for the holiday decorations. Consequently, I moved forward with executing an Agreement with Ambius for 16 shooting stars to be installed on the electric poles along FM 517 heading east from I-45 toward Paul Hopkins Park to line the path that most traffic would follow to get to the Festival of Lights. A graphic of the shooting stars that were installed on the electric poles is provided with this agenda item. Ambius actually provided more than 16 shooting stars at no additional cost to the District.

The total amount of the Agreement with Ambius was \$6,000.00; however, there was an additional cost to actually hang the shooting stars since Texas-New Mexico Power (“TNMP”) requires the use of one of their approved contractors to install anything on TNMP’s electric poles. The District used MP Technologies to do the installation, and the additional cost for the installation was \$5,152.00. The additional cost has been included in the Proposed First Amended Budget for FY 15-16, and the District has the funds to cover that cost.

This Resolution would ratify my execution of the Agreement with Ambius.

RECOMMENDATION: Staff recommends approval of the Resolution.

ATTACHMENTS: • Resolution Ratifying Execution of Agreement With Ambius for Custom Holiday Decorations by Executive Director
• Shooting Star Graphic

FUNDING ISSUES Not applicable
 Not budgeted

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

**Dickinson Management District Number 1
Agenda Item Data Sheet**

<input checked="" type="checkbox"/> Partial Amount already budgeted – additional cost for installation has been included in the Proposed First Amended Budget for FY 15-16. <input type="checkbox"/> Funds to be transferred from Acct.# - -

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	



ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

RESOLUTION RATIFYING EXECUTION OF AGREEMENT WITH
AMBIUS FOR CUSTOM HOLIDAY DECORATIONS BY EXECUTIVE DIRECTOR

WHEREAS, Dickinson Management District No. 1 (the "District") has been legally created and operates pursuant to the general laws of the State of Texas applicable to municipal management districts; and

WHEREAS, in the Fiscal Year 2015-2016 Adopted Budget, the Board of Directors approved and funded holiday decorations to be placed within the District ("Program"); and

WHEREAS, pursuant to such approval and in order to proceed with the Program, the Executive Director executed an Agreement for Custom Holiday Decorations with Ambius for the Program on October 13, 2015 ("Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein; and

WHEREAS, upon review and consideration of all matters attendant and related thereto, the Board of Directors finds and determines that the actions of the Executive Director related to executing the Agreement with Ambius should be ratified in all respects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DICKINSON MANAGEMENT DISTRICT NO. 1 THAT:

The actions of the Executive Director taken for and on behalf of the District in executing, verifying, acknowledging, certifying to, filing and delivering the Agreement in order to effect the engagement of Ambius are ratified in all respects.

PASSED AND APPROVED this 3rd day of May, 2016.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

EXHIBIT "A"
TO
RESOLUTION
RATIFYING EXECUTION
OF AGREEMENT WITH
AMBIUS FOR CUSTOM
HOLIDAY
DECORATIONS BY
EXECUTIVE DIRECTOR

Quote



Attn Ms Robinson
Dickinson Management District #1
4403 Highway 3
DICKINSON TX 77539



Quote Q092673
Date October 11, 2015
Product Holiday
Regarding Holiday Rental

		Amount
1	<u>City of Dickinson - for the intersections</u> 16 16 Shooting Stars <i>This will include Delivery and pick up of shooting stars</i>	
		Short Term Hire amount per year 6,000.00
		Charge for Delivery and Installation 0.00

All prices are exclusive of Tax and valid until 12/10/15

Presented by Andrea Alvarez • Sales and Design Consultant • andrea.alvarez@ambius.com • (832) 829 4037



Holiday Short Term Rental Agreement

Ambius will provide Dickinson Management District #1 with all service necessary to rent, prepare, freshen, the holiday décor as listed. Additional décor may be added with the authorization of the customer. Should any modifications or additions to or deviations from the work agreed upon in this proposal become necessary, any changes will be described specifically in writing as an Additional Order and be signed by Client.

Pictures of themes are not intended to be exact representations, decorations may vary based on setting and availability. There shall be no change in décor from year to year during the initial term of a multi-year contract. If you are not satisfied with any aspect of our service, we will make every attempt to correct the problem to your satisfaction. Absolutely no refunds or exchanges will be permitted unless Ambius Inc. is notified within two working days of installation.

This agreement is binding for a period of 12 months.

Ambius proposes:

Annual Pricing of \$6,000.00* for rental of greenery, décor and accessories listed.

Charge for delivery and installation is \$*.

(* These prices exclude applicable taxes.

All items listed in this rental agreement are the property of Ambius. The items or the value of same must be returned to Ambius upon termination of this agreement.

Prices good for 30 days.

Prompt Payment: Your company agrees to pay Ambius all amounts due under this agreement within ten (10) days after billing. Your company is liable for attorney fees and collections costs incurred to collect amounts owed under this rental agreement, including repossession or replacement of non returned rental items and attorney's fees.

Authorization of this agreement indicates acceptance of the terms and requirements and the individual below states that he/she has the authority to bind company for the length of this agreement.

BILLING INFORMATION:

Q092673

Dickinson Management District #1

4403 Highway 3

DICKINSON TX 77539

SERVICE ADDRESS:

Dickinson Management District #1

4403 Highway 3

DICKINSON TX 77539

Proposed by _____

Date _____

Accepted by _____

Date 10-13-15

Title Executive Director

P.O. Number _____

DIVIDER PAGE



TAB 14

**Dickinson Management District Number 1
Agenda Item Data Sheet**

MEETING DATE May 3, 2016

TOPIC:	Discussion And Direction Concerning 2016 Holiday Decorations Within The District
---------------	----------------------------------------------------------------------------------

BACKGROUND:	<p>On October 5, 2015, and October 13, 2015, I executed contracts with Always In Season and Ambius on behalf of the District for the 2015 holiday decorations. The Always In Season contract is a 3-year contract, and the Ambius contract is a 1-year contract. The Ambius contract also required retaining a separate installation company to hang the decorations on the electric poles. The total amount for all decorations including installation was \$24,991.82.</p> <p>As we prepare for the 2016 Holiday Season, now is the time for the Board to discuss what it would like done differently for 2016. The District is contractually required to continue working with Always In Season Decorating Services, Inc. for 2016 and 2017, and we do have the ability to install temporary electric poles at the corners in order to light the Christmas trees. There would be an additional cost for the installation of the temporary electric poles and for Always In Season Decorating Services, Inc. (additional \$3,000.00 based on the Agreement), and the additional cost could be built into the proposed FY 2016-2017 Budget. Staff will need to obtain quotes for the installation of the temporary electric poles if the Board desires to proceed in that direction.</p> <p>Additionally, I would like direction from the Board with regard to the shooting stars that were installed on the electric poles along FM 517. If the Board wishes to proceed with those decorations again this year, I will need to get in touch with Ambius as soon as possible to get a quote and get on its installation list.</p>
--------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

RECOMMENDATION:	Staff requests further direction from the Board.
------------------------	--------------------------------------------------

ATTACHMENTS:	<ul style="list-style-type: none"> • Tree Graphics for the Four Corners at I-45 and FM 517 • Shooting Star Graphic
---------------------	--------------------------------------------------------------------------------------------------------------------------------------------

FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted.
-----------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

DIVIDER PAGE









DIVIDER PAGE



ADJOURN

TIME: _____

MOTION: _____

SECOND: _____

VOTE _____