

PLANO CITY COUNCIL

WILL CONVENE INTO EXECUTIVE SESSION AT 5:00 P.M. ON JANUARY 12, 2009, FOLLOWED BY PRELIMINARY OPEN MEETING IN THE PLANO MUNICIPAL BUILDING, 1520 K AVENUE, IN COMPLIANCE WITH VERNON'S TEXAS CODES ANNOTATED, GOVERNMENT CODE CHAPTER 551 (OPEN MEETINGS ACT), AS FOLLOWS:

Mission Statement: The mission of the City of Plano is to provide outstanding services and facilities, through cooperative efforts with our citizens, that contribute to the quality of life in our community.

EXECUTIVE SESSION

- | | | | |
|------|--|-------------|---------|
| I. | Legal Advice | Wetherbee | 10 min. |
| | A. Respond to questions and receive legal advice on agenda items | | |
| II. | Economic Development | Muehlenbeck | 10 min. |
| | A. Discuss a financial offer or other incentive to a business prospect to locate, stay, or expand in Plano and consider any commercial and financial information from the business prospect. | | |
| III. | Personnel | Council | 10 min. |
| | A. City Manager Duties re Legislative and Lobbying Efforts | | |

PRELIMINARY OPEN MEETING

- | | | | |
|-----|---|---------|--------|
| I. | Consideration and action resulting from Executive Session discussion: | Council | 5 min. |
| II. | Personnel Appointments
Public Arts Committee | Council | 5 min. |

III.	DART Report	Ellerbe	10 min.
IV.	Discussion re Distribution of Unsolicited Newspapers	Council	10 min.
V.	Discussion re Property Tax Exemption for Masonic Lodge	Rhodes-Whitley	10 min.
VI.	Discussion and Direction re 2009 Bond Referendum	Rhodes-Whitley	10 min.
VII.	Discussion and Direction on Priorities for Amendments as recommended in Duncan Associates' Assessment of the Zoning Ordinance	Jarrell	10 min.
VIII.	Council items for discussion/action on future agendas	Council	5 min.
IX.	Consent and Regular Agenda	Council	5 min.

In accordance with the provisions of the Open Meetings Act, during Preliminary Open Meetings, agenda items will be discussed and votes may be taken where appropriate.

Municipal Center is wheelchair accessible. A sloped curb entry is available at the main entrance facing Avenue L, with specially marked parking spaces nearby. Access and special parking are also available on the north side of building. The Council Chamber is accessible by elevator to the lower level. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 972-941-7120.



CITY COUNCIL

1520 AVENUE K

DATE: January 12, 2009

CALL TO ORDER: 7:00 p.m.

INVOCATION: Pastor Barry Gin
Plano Chinese Alliance Church

PLEDGE OF ALLEGIANCE: Brownie Troop 3143
St. Elizabeth Ann Seton Catholic Church

ITEM NO.	EXPLANATION	ACTION TAKEN
	<p>THE MISSION OF THE CITY OF PLANO IS TO PROVIDE OUTSTANDING SERVICES AND FACILITIES, THROUGH COOPERATIVE EFFORTS WITH OUR CITIZENS THAT CONTRIBUTE TO THE QUALITY OF LIFE IN OUR COMMUNITY.</p> <p>The City Council may convene into Executive Session to discuss posted items in the regular meeting as allowed by law.</p> <p><u>PROCLAMATIONS & SPECIAL RECOGNITION</u></p> <p>Proclamation: Very Special Arts Festival – 25th Anniversary</p> <p><u>OATHS OF OFFICE</u></p> <p><u>Board of Adjustment</u> Edward J. Stankunas</p> <p><u>Building Standards Commission</u> Gary Johnston Mo Khoshkar Arthur Stone</p> <p><u>CERTIFICATES OF APPRECIATION</u></p> <p><u>Board of Adjustment</u> Chris Polito, Chair</p> <p><u>COMMENTS OF PUBLIC INTEREST</u></p> <p><u>This portion of the meeting is to allow up to five (5) minutes per speaker with thirty (30) total minutes on items of interest or concern and not on items that are on the current agenda. The Council may not discuss these items, but may respond with factual or policy information. The Council may choose to place the item on a future agenda.</u></p>	

ITEM NO.	EXPLANATION	ACTION TAKEN
	<p><u>CONSENT AGENDA</u></p> <p><u>The Consent Agenda will be acted upon in one motion and contains items which are routine and typically noncontroversial. Items may be removed from this agenda for individual discussion by a Council Member, the City Manager or any citizen. Citizens are limited to two (2) items and discussion time of three (3) minutes each.</u></p> <p>(a) <u>Approval of Minutes</u> December 22, 2008</p> <p><u>Approval of Expenditures</u></p> <p>Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)</p> <p>(b) Bid No. 2009-13-B for the purchase of two Tractor Trucks from Rush Truck Center DFW in the amount of \$191,970.</p> <p>Purchase from an Existing Contract</p> <p>(c) To approve the purchase of three Toyota Corollas (K01) in the amount of \$50,391 from Philpott Motor Company through an existing contract/agreement with H-GAC Cooperative Purchase Program, and authorizing the City Manager to execute all necessary documents. (#VE03-06)</p> <p>(d) To approve the purchase of two Toro Multi Pro (1250) Chemical Sprayers in the amount of \$54,464 from Professional Turf Products through an existing contract/agreement with Texas Association School Buyboard Purchase Program, and authorizing the City Manager to execute all necessary documents. (#292-08)</p> <p>(e) To approve the purchase of one Jacobsen Rough Rotary Mower (HR-9016) in the amount of \$71,983 from Luber Bros. through an existing contract/agreement with Texas Association School Buyboard Purchase Program, and authorizing the City Manager to execute all necessary documents. (#292-08)</p> <p>(f) To authorize an expenditure for staff augmentation to install and test wireless antennas for the Automatic Meter Reading (AMR) Project for Customer & Utility Services, in the amount of \$75,839 from Scientel Wireless, LLC., through an existing contract/agreement with the Department of Information Resources (DIR), and authorizing the City Manager to execute all necessary documents. (DIR-SDD-767)</p> <p><u>Adoption of Resolutions</u></p> <p>(g) To accept the findings and opinions of the Annual Audit; authorizing the City Manager to publish the results thereof; and providing an effective date.</p> <p>(h) To approve the amendment to the Bylaws of the Arts of Collin County Commission, Inc. to expand the Board of Directors; providing a repealing clause; and providing an effective date.</p>	

ITEM NO.	EXPLANATION	ACTION TAKEN
(i)	To suspend the effective date of CoServ Gas Ltd.'s requested rate changes to permit the City time to study the request and to establish reasonable rates; approving cooperation with other cities within the CoServ system to hire legal and consulting services and to negotiate with the company and direct any necessary litigation; requiring reimbursement of cities' rate case expenses; authorizing intervention in the proceeding at the Railroad Commission; requiring notice of this resolution to the company; and providing an effective date.	
(j)	To approve the terms and conditions of an Interlocal Cooperation Agreement by and between the City of Plano and Collin County, Texas, providing for the widening of Independence Parkway from McDermott Road to SH 121; authorizing its execution by the City Manager; and providing an effective date.	
(k)	To approve the settlement of the lawsuit styled City of Plano, Texas v. Technology Properties III L.P., Cause No. 004-78-08, Collin County Court at Law No. 4, in the amount of \$90,000; authorizing the City Manager to execute any and all documents necessary to settle such lawsuit; and providing an effective date.	
(l)	<p><u>Approval of Direction</u></p> <p>To approve to direct the Planning and Zoning Commission to identify City of Plano commercial sign regulations that may unreasonably restrict the use of contemporary and innovative advertising and marketing practices and recommend possible changes to the regulations to the City Council no later than March 9, 2009.</p>	
(1)	<p><u>ITEMS FOR INDIVIDUAL CONSIDERATION:</u></p> <p><u>Public Hearing Items: Applicants are limited to fifteen (15) minutes presentation time with a five (5) minute rebuttal, if needed. Remaining speakers are limited to thirty (30) total minutes of testimony time, with three (3) minutes assigned per speaker. The presiding officer may extend these times as deemed necessary.</u></p> <p><u>Non-Public Hearing Items: The Presiding Officer may permit limited public comment for items on the agenda not posted for a Public Hearing. The Presiding Officer will establish time limits based upon the number of speaker requests, length of the agenda, and to ensure meeting efficiency, and may include a cumulative time limit. Speakers will be called in the order cards are received until the cumulative time is exhausted.</u></p>	
(1)	<p>A Resolution to approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and Americorp, Inc., dba Altair Global Relocation, a Texas corporation; authorizing its execution by the City Manager; and providing an effective date.</p>	

ITEM NO.	EXPLANATION	ACTION TAKEN
(2)	<p>An Ordinance to authorize a three-year renewal of the Private Franchise Agreement by and between the City of Plano, Texas and Allied Waste Systems, Inc. d/b/a Trinity Waste Services, for collection and disposal of solid waste for commercial customers located within the City of Plano and a non-exclusive private franchise for collection of recyclable materials from commercial customers located in the City of Plano; and authorizing the City Manager to execute any and all documents necessary to effectuate this renewal; providing a repealer clause, a severability clause, a savings clause, a penalty clause, and providing for publication and an effective date. (First Reading)</p>	
(3)	<p>Public Hearing and consideration of an Ordinance as requested in Zoning Case 2008-73 to amend Subsection 3.1108 (Special Off-Street Parking Regulations) (4) (Special Vehicle Storage) and (6) of Section 3.1100 (Off-Street Parking and Loading) of Article 3 (Supplementary Regulations) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2006-4-24, as heretofore amended, regarding definitions and standards for special vehicle storage; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, and an effective date. Applicant: City of Plano</p>	
(4)	<p>Public Hearing and consideration of an Ordinance as requested in Zoning Case 2008-82 to amend Section 1.600 (Definitions) of Article I (General Regulations), Subsection 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses), and Subsection 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2006-4-24, as heretofore amended regarding private club use; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, and an effective date. Applicant: City of Plano</p>	
	<p><u>Municipal Center is wheelchair accessible. A sloped curb entry is available at the main entrance facing Municipal Avenue, with specially marked parking spaces nearby. Access and special parking are also available on the north side of the building. Training Room A/Building Inspections Training Room are located on the first floor. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 972-941-7120.</u></p>	



Pat Evans
Mayor

Jean Callison
Mayor Pro Tem

Harry LaRosiliere
Deputy Mayor Pro Tem

Pat Miner
Place 1

Scott Johnson
Place 2

Mabrie Jackson
Place 3

Sally Magnuson
Place 4

Lee Dunlap
Place 8

Thomas H. Muehlenbeck
City Manager

January 8, 2009

Mayor Pat Evans
City Council Members
City of Plano
Plano, TX 75074

Honorable Mayor and City Council:

We will begin our meeting on Monday in Executive Session where we will receive legal advice from the City Attorney. Under Item II, potential economic development prospects may be discussed. Item III consists of an opportunity for the City Manager to discuss legislative and lobbying efforts.

The Preliminary Open Meeting will begin with consideration of one personnel appointment. Loretta Ellerbe will present the DART Report and afterwards, Council will lead discussion regarding the distribution of unsolicited newspapers. Karen Rhodes-Whitley will discuss property tax exemption for the Masonic Lodge and will also discuss and ask direction regarding the 2009 Bond Referendum. In conclusion, Phyllis Jarrell will discuss and ask direction regarding the assessment of the Zoning Ordinance.

I look forward to seeing you Monday.

Sincerely yours,

Thomas H. Muehlenbeck

MEMO

DATE: January 8, 2009

TO: Honorable Mayor and City Council
City Manager Muehlenbeck
City Secretary Zucco

FROM: Alice Snyder, Assistant City Secretary

RE: Personnel Appointments – Executive and Worksession Meetings

The following appointments will be considered at the January 12, 2009 Council Meeting.

<u>Executive Session</u>	<u>Worksession Meeting</u> <u>Appointments:</u> Public Arts Committee - Chair
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POM Item III

DART Report

Ellerbe

POM Item IV

Discussion re Distribution of Unsolicited Newspapers

Council

POM Item V

Discussion re Property Tax Exemption

Rhodes-Whitley

PRELIMINARY

2009 BOND

REFERENDUM

ELECTION DATE

MAY 9, 2009

INFORMATION PACKET

1/12/09

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MEMORANDUM

Date: January 12, 2009

To: Honorable Mayor & City Council

From: Karen Rhodes-Whitley, Director of Budget & Research *KRW*

Subject: **2009 BOND REFERENDUM DISCUSSION PACKET**

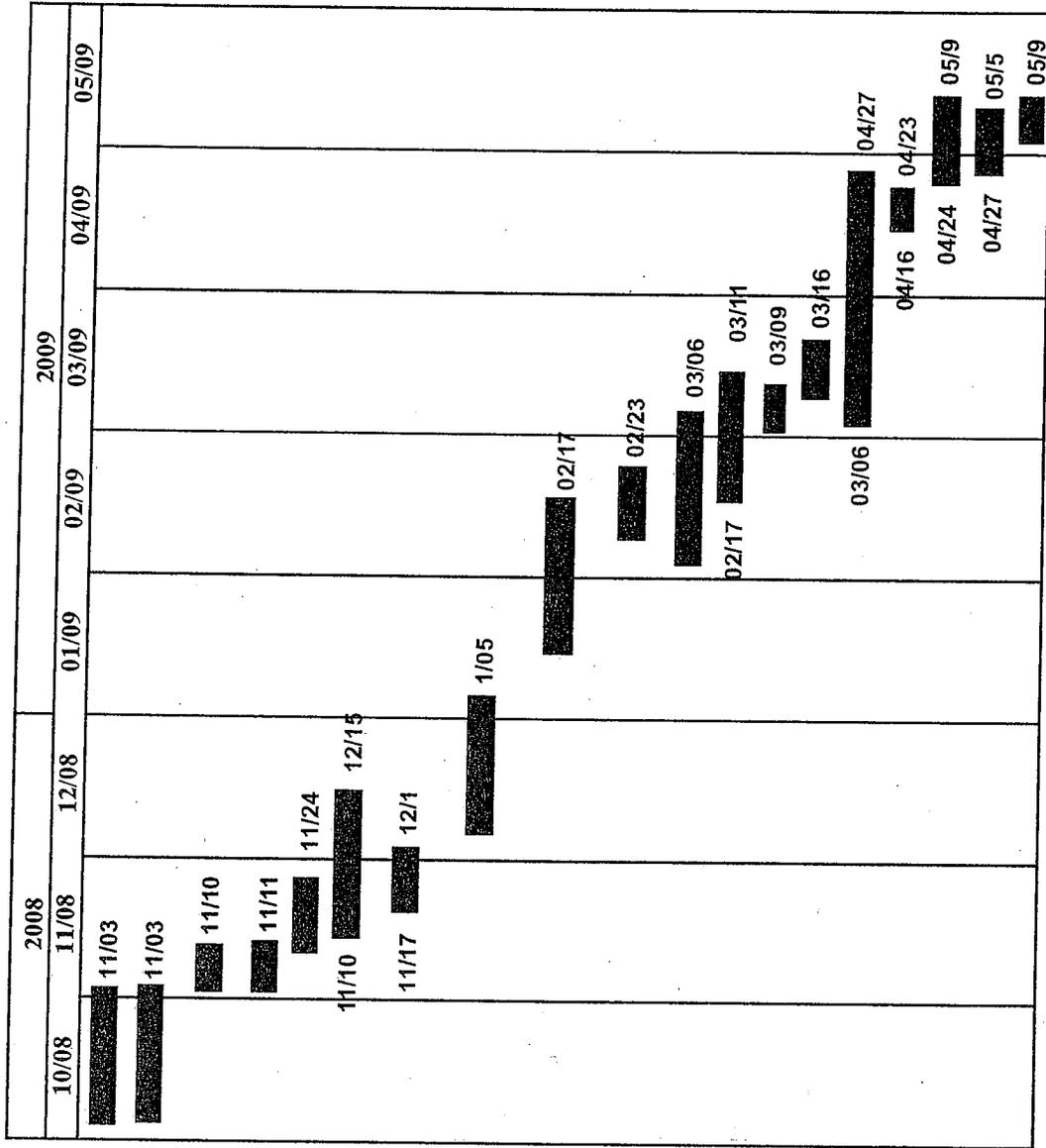
Enclosed is the 2009 Bond Referendum Discussion Packet for your review for the Monday, January 12, 2009 City Council Worksession. Included in the packet is the most current proposed project list and descriptions, a timeline of the process, maps locating various projects, tax rate impact scenarios for \$100M to \$150M in new authority over the next four years, the O & M impact and Capital Reserve cost of projects coming on-line plus Boards and Commissions comments and priority lists.

The notable change in the project listing since the last time discussed is the deletion of \$20 million for the Plano Center Expansion project. The preliminary Bond Referendum now totals \$148.1 million with \$32 million allocated to Public Safety projects, \$1.8 million for Libraries, \$55.6 million for Park Improvements, \$24.1 million for Recreation Center renovations and expansions and \$34.8 million for Street Improvement projects which is net the \$54.1 million the City would receive from outside sources for these projects.

Due to the timing of the election, a listing of the final bond referendum projects and proposed propositions will need to be discussed and decided on at the February 17, 2009 City Council meeting.

Please let me know if you require further clarification. Staff members from each area will be available at the meeting to answer any questions you may have regarding the projects.

**PROPOSED 2009 BOND REFERENDUM
PRELIMINARY TIMELINE**



Staff Prepares CIP Project List
Budget Prepares Financial Analysis of Funding
City Staff Presents Recommended Project Lists to Council
Recommended Projects Sent to Boards & Commissions
Public Hearing for Citizen Initiated Projects
City Council Continues Discussion of Project Lists
Planning & Zoning Committee Discussion of Projects List
Recommendations From Boards & Commission Due to Staff
Council Agrees on Propositions to be Submitted to the Voters
City Council Considers an Ordinance Calling the Bond Referendum
Pamphlet Developed
2009 Bond Video Developed
Pamphlet Distributed to Households
Speakers Bureau List of Participants and Assignments
Community & Civic Group Presentations
Publish Notices for Elections
2009 Bond Video Aired
Early Voting
Election

PROPOSED 2009 BOND REFERENDUM PROJECTS

City Council Discussion 1/12/09

1/7/2009

Project	2009-10	2010-11	2011-12	2012-13	Total
<u>Public Safety Facilities</u>					
Engine/Fire Apparatus	1,300,000	1,568,000	-	-	2,868,000
O&M	1,646,952	3,293,904	-	-	4,940,856
Fiber Infrastructure Build-Out	-	5,000,000	-	-	5,000,000
O&M	-	750,000	-	-	750,000
Fire Station 2	-	1,500,000	-	-	1,500,000
O&M	-	14,036	-	-	14,036
Fire Station 6	-	-	1,500,000	-	1,500,000
O&M	-	2,086	6,290	-	8,376
Fire Station 7	1,500,000	-	-	-	1,500,000
Fire Station 13	1,000,000	-	-	-	1,000,000
O&M	1,782,692	14,604	-	-	1,797,296
Public Safety Communications Center	1,600,000	6,000,000	-	-	7,600,000
O&M	-	169,932	-	-	169,932
Technology Services Facility	1,700,000	6,300,000	-	-	8,000,000
O&M	-	25,035	195,550	-	220,585
Video Surveillance	3,000,000	-	-	-	3,000,000
O&M	75,000	-	-	-	75,000
Total Public Safety Authority Needed	10,100,000	20,368,000	1,500,000	-	31,968,000
Total O&M	3,504,644	4,269,597	201,840	-	7,976,081
<u>Library Facilities</u>					
Library Improvements	530,800	834,800	384,400	-	1,750,000
Total Library Authority Needed	530,800	834,800	384,400	-	1,750,000
<u>Park Improvements</u>					
White Rock Community Park Development	500,000	4,500,000	-	-	5,000,000
O&M	-	-	217,000	-	217,000
Oak Point Park Development	-	500,000	4,500,000	-	5,000,000
O&M	-	-	-	335,496	335,496
Trail Connections	1,250,000	1,250,000	1,250,000	1,250,000	5,000,000
O&M	11,875	11,875	11,875	11,875	47,500
Athletic Field Renovations	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
O&M	9,375	9,375	9,375	9,375	37,500
Park Improvements	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
O&M	57,300	57,300	57,300	57,300	229,200
Land Acquisitions	500,000	3,000,000	7,000,000	4,750,000	15,250,000
O&M	-	10,000	60,000	224,490	294,490
Athletic Field Improvements	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
O&M	11,450	11,450	11,450	11,450	45,800
Arbor Hills Nature Preserve	-	50,000	350,000	-	400,000
O&M	-	-	-	7,500	7,500
Pecan Hollow Golf Course	7,000,000	-	-	-	7,000,000

PROPOSED 2009 BOND REFERENDUM PROJECTS

City Council Discussion 1/12/09

Project					1/7/2009
	2009-10	2010-11	2011-12	2012-13	Total
<u>Park Improvements (Cont.)</u>					
Maintenance Facility Expansion/Renov.	-	100,000	900,000		1,000,000
O&M	-	4,172	28,465	-	32,637
Downtown Improvements	-	-	-	900,000	900,000
O&M	-	-	-	15,000	15,000
Total Park Authority Needed	13,250,000	13,400,000	18,000,000	10,900,000	55,550,000
Total O&M	90,000	104,172	395,465	672,486	1,262,123
<u>Recreation Center</u>					
Aquatic Center Renovation	500,000	3,000,000	-	-	3,500,000
Carpenter Park Recreation Center Expansion	6,000,000	-	-	-	6,000,000
O&M	-	583,153	-	-	583,153
Senior Center/Wellness Center Expansion	-	500,000	7,000,000	-	7,500,000
O&M	-	27,121	181,793	87,344	296,258
Oak Point Rec Center Expansion	-	-	600,000	6,000,000	6,600,000
O&M	-	-	-	162,586	162,586
Douglass Community Center	-	-	50,000	450,000	500,000
Total Rec Cntr Authority Needed	6,500,000	3,500,000	7,650,000	6,450,000	24,100,000
Total O&M	-	610,274	181,793	249,930	1,041,997
<u>Street Improvements</u>					
14th Street Reconstruction- K to Ridgewood	1,000,000	0	0	0	1,000,000
15th Street Reconstruction - G Ave to US 75	2,454,000	0	0	0	2,454,000
17th Street/R Avenue Reconstruction	800,000	0	0	0	800,000
Alley Reconstruction at Various Locations	200,000	200,000	200,000	200,000	800,000
Barrier Free Ramps at Various Location	100,000	100,000	100,000	100,000	400,000
Communications Construction Sp Cr to Tennyson	2,410,000	0	0	0	2,410,000
Computerized Signal System Improvements	250,000	250,000	250,000	250,000	1,000,000
Dallas North Estates 3 Street Reconstruction	151,000	1,260,000	0	0	1,411,000
East Side Entryway Features and Landscaping	110,000	0	0	0	110,000
Independence Pkay Corridor Intersection Imp	1,472,000	0	0	0	1,472,000
Intersection Improvements at Various Locations	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
Intersection Improvements 2008	522,000	0	0	0	522,000
Landscaping Street Enhancements at Various Roads	131,000	110,000	560,000	110,000	911,000
Legacy Corridor Intersection Improvements	200,000	1,255,000	0	0	1,455,000
McDermott Rd widening- Coit to Ohio	1,000,000	0	0	0	1,000,000
Meadows Addition Street Reconstruction	1,633,000	0	0	0	1,633,000
New Concrete Alleys at various locations	100,000	100,000	100,000	100,000	400,000
Oversize Participation	300,000	200,000	100,000	100,000	700,000
P Avenue/18th /Belle View Street Reconstruction	290,000	0	0	0	290,000
Park Blvd Corridor Intersection Improvements	400,000	1,950,000	0	0	2,350,000
Park Blvd/US 75 Pedestrian Crossing	100,000	1,222,500	0	0	1,322,500
Park Streets - Adjacent to Parks	100,000	0	100,000	0	200,000
Parker Rd Corridor Intersection Improvements	1,500,000	0	0	0	1,500,000
Permanent Traffic Calming improvements	100,000	100,000	100,000	100,000	400,000
Preston Road Corridor Intersection Improvements	200,000	2,860,000	0	0	3,060,000
Preston/Legacy Intersection Imp.	500,000	0	0	0	500,000

PROPOSED 2009 BOND REFERENDUM PROJECTS

City Council Discussion 1/12/09

1/7/2009

Project	2009-10	2010-11	2011-12	2012-13	Total
Street Improvements (Cont.)					
Preston/Plano Parkway Intersection Imp	1,890,000	0	0	0	1,890,000
Preston/SH 190 Intersection Imp.	100,000	2,700,000	0	0	2,800,000
Railroad Corridors Studies	100,000	0	0	0	100,000
Razor Road construction- Ohio to SH 121	2,000,000	0	0	0	2,000,000
Redevelopment Street Improvements	1,000,000	1,000,000	1,000,000	0	3,000,000
Roadway Median Landscaping-Variou Locations	55,000	55,000	55,000	55,000	220,000
Screening Wall Reconstruction-Variou Locations	550,000	550,000	550,000	550,000	2,200,000
Shiloh Rd widening - 14th Street to Park Blvd.	150,000	2,840,000	0	0	2,990,000
Split Trail Reconstruction- Spring Creek to K	750,000	0	0	0	750,000
Spring Creek Pkwy at Coit Intersection Imp. (TIP)	1,655,000	0	0	0	1,655,000
Spring Creek Pkwy Corridor Intersection Imp	400,000	2,625,000	0	0	3,025,000
Spring Creek Pkwy Widening - Park to Parker	200,000	2,800,000	0	0	3,000,000
Street Reconstruction at Various Locations	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Traffic Signalization at New Locations	500,000	500,000	500,000	500,000	2,000,000
West Plano Village Street Improvements	545,000	0	0	0	545,000
Westwood Reconst - 15th Street to Janwood	1,000,000	0	0	0	1,000,000
Windhaven Widening-City Limit to Spring Creek	3,600,000	0	0	0	3,600,000
18th Street Reconst - G to West of K Avenue	0	1,250,000	0	0	1,250,000
Brand Road widening- 544 to City Limits	0	100,000	700,000	0	800,000
Dallas North Estates Street Reconstruction	0	223,000	1,854,000	0	2,077,000
F Ave. and 14th St. Reconstruction	0	25,000	150,000	0	175,000
International Widening- Plano Pkwy to Midway	0	90,000	700,000	0	790,000
Los Rios Widening - Jupiter to Parker	0	120,000	1,880,000	0	2,000,000
18th Street Reconstruction- Jupiter to Dale Drive	0	0	82,000	682,000	764,000
Chaparral Bridge at Cottonwood Creek	0	0	1,000,000	0	1,000,000
Dallas North Estates 5- Street Reconstruction	0	0	173,000	1,437,000	1,610,000
Los Rios Widening - S City Limits to 14th Street	0	0	2,000,000	0	2,000,000
Mapleshade Construction- Bush Tpk to Silverglen	0	0	830,000	0	830,000
Marsh Widening - Park to Parker	0	0	1,700,000	0	1,700,000
Park Widening- Shiloh to East City Limit	0	0	112,000	1,688,000	1,800,000
Plano Park 1 - Street Reconstruction	0	0	120,000	995,000	1,115,000
Dallas North Estates 2 - Street Reconstruction	0	0	0	91,000	91,000
Ridgeview Dr Construction - S.H. 121 to Coit	0	0	0	2,000,000	2,000,000
	33,018,000	26,985,500	17,416,000	11,458,000	88,877,500
<i>Revenue from Collin County</i>	<i>-6,963,000</i>	<i>-6,860,000</i>	<i>-4,425,000</i>	<i>-2,700,000 #</i>	<i>-20,948,000</i>
<i>Revenue from Denton County</i>	<i>0</i>	<i>0</i>	<i>-1,500,000</i>	<i>0 #</i>	<i>-1,500,000</i>
<i>Revenue from East Side TIF</i>	<i>0</i>	<i>-500,000</i>	<i>0</i>	<i>0 #</i>	<i>-500,000</i>
<i>Revenue from RTR Funds</i>	<i>-12,067,000</i>	<i>-10,830,000</i>	<i>0</i>	<i>0 #</i>	<i>-22,897,000</i>
<i>Revenue from TxDOT</i>	<i>-6,100,000</i>	<i>-2,178,000</i>	<i>0</i>	<i>0 #</i>	<i>-8,278,000</i>
	-25,130,000	-20,368,000	-5,925,000	-2,700,000 0	-54,123,000
Total Street Improvement Authority Needed	7,888,000	6,617,500	11,491,000	8,758,000	34,754,500
TOTAL PROJECTED AUTHORITY NEEDED	38,268,800	44,720,300	39,025,400	26,108,000	148,122,500
TOTAL PROJECTED O&M	3,594,644	4,984,043	779,098	922,416	10,280,201



PROPOSED 2009 BOND REFERENDUM PROJECTS & FUTURE YEARS

City Council Discussion 1/12/09

1/7/2009

<u>Project</u>	<u>Project Cost</u>	<u>Future</u>	<u>Total</u>
<u>Public Safety Facilities</u>			
Engine/Fire Apparatus	2,868,000	-	2,868,000
Fiber Infrastructure Build-Out	5,000,000	-	5,000,000
Fire Station 2	1,500,000	-	1,500,000
Fire Station 6	1,500,000	-	1,500,000
Fire Station 7	1,500,000	-	1,500,000
Fire Station 13	1,000,000	-	1,000,000
Public Safety Communications Center	7,600,000	-	7,600,000
Technology Services Facility	8,000,000	-	8,000,000
Video Surveillance	3,000,000	-	3,000,000
Total Public Safety Authority Needed	31,968,000	-	31,968,000
<u>Library Facilities</u>			
Library Improvements	1,750,000	-	1,750,000
Total Library Authority Needed	1,750,000	-	1,750,000
<u>Park Improvements</u>			
White Rock Community Park Development	5,000,000	-	5,000,000
Oak Point Park Development	5,000,000	6,000,000	11,000,000
Trail Connections	5,000,000	10,000,000	15,000,000
Athletic Field Renovations	8,000,000	-	8,000,000
Park Improvements	4,000,000	5,000,000	9,000,000
Land Acquisitions	15,250,000	3,000,000	18,250,000
Athletic Field Improvements	4,000,000	12,500,000	16,500,000
Arbor Hills Nature Preserve	400,000	-	400,000
Pecan Hollow Golf Course	7,000,000	-	7,000,000
Maintenance Facility Expansion/Renov.	1,000,000	-	1,000,000
Downtown Improvements	900,000	-	900,000
Total Park Authority Needed	55,550,000	36,500,000	92,050,000
<u>Recreation Center</u>			
Aquatic Center Renovation	3,500,000	-	3,500,000
Carpenter Park Recreation Center Expansion	6,000,000	-	6,000,000
Senior Center/Wellness Center Expansion	7,500,000	-	7,500,000
Oak Point Rec Center Expansion	6,600,000	-	6,600,000
Douglass Community Center	500,000	-	500,000
Total Rec Cntr Authority Needed	24,100,000	-	24,100,000
<u>Street Improvements</u>			
14th Street Reconstruction- K to Ridgewood	1,000,000	-	1,000,000
15th Street Reconstruction - G Ave to US 75	2,454,000	-	2,454,000

PROPOSED 2009 BOND REFERENDUM PROJECTS & FUTURE YEARS

City Council Discussion 1/12/09

1/7/2009

<u>Project</u>	<u>Project Cost</u>	<u>Future</u>	<u>Total</u>
<u>Street Improvements (Cont.)</u>			
17th Street/R Avenue Reconstruction	800,000	-	800,000
Alley Reconstruction at Various Locations	800,000	1,000,000	1,800,000
Barrier Free Ramps at Various Location	400,000	-	400,000
Communications Construction Sp Cr to Tennyson	2,410,000	-	2,410,000
Computerized Signal System Improvements	1,000,000	1,000,000	2,000,000
Dallas North Estates 3 Street Reconstruction	1,411,000	-	1,411,000
East Side Entryway Features and Landscaping	110,000	-	110,000
Independence Pkay Corridor Intersection Imp	1,472,000	-	1,472,000
Intersection Improvements at Various Locations	6,000,000	2,200,000	8,200,000
Intersection Improvements 2008	522,000	-	522,000
Landscaping Street Enhancements at Various Roads	911,000	330,000	1,241,000
Legacy Corridor Intersection Improvements	1,455,000	-	1,455,000
McDermott Rd widening- Coit to Ohio	1,000,000	-	1,000,000
Meadows Addition Street Reconstruction	1,633,000	-	1,633,000
New Concrete Alleys at various locations	400,000	100,000	500,000
Oversize Participation	700,000	-	700,000
P Avenue/18th /Belle View Street Reconstruction	290,000	-	290,000
Park Blvd Corridor Intersection Improvements	2,350,000	-	2,350,000
Park Blvd/US 75 Pedestrian Crossing	1,322,500	-	1,322,500
Park Streets - Adjacent to Parks	200,000	200,000	400,000
Parker Rd Corridor Intersection Improvements	1,500,000	-	1,500,000
Permanent Traffic Calming improvements	400,000	100,000	500,000
Preston Road Corridor Intersection Improvements	3,060,000	-	3,060,000
Preston/Legacy Intersection Imp.	500,000	-	500,000
Preston/Plano Parkway Intersection Imp	1,890,000	-	1,890,000
Preston/SH 190 Intersection Imp.	2,800,000	-	2,800,000
Railroad Corridors Studies	100,000	-	100,000
Razor Road construction- Ohio to SH 121	2,000,000	-	2,000,000
Redevelopment Street Improvements	3,000,000	-	3,000,000
Roadway Median Landscaping-Variou Locations	220,000	440,000	660,000
Screening Wall Reconstruction-Variou Locations	2,200,000	-	2,200,000
Shiloh Rd widening - 14th Street to Park Blvd.	2,990,000	-	2,990,000
Split Trail Reconstruction- Spring Creek to K	750,000	-	750,000
Spring Creek Pkwy at Coit Intersection Imp. (TIP)	1,655,000	-	1,655,000
Spring Creek Pkwy Corridor Intersection Imp	3,025,000	-	3,025,000
Spring Creek Pkwy Widening - Park to Parker	3,000,000	-	3,000,000
Street Reconstruction at Various Locations	4,000,000	8,000,000	12,000,000
Traffic Signalization at New Locations	2,000,000	2,600,000	4,600,000
West Plano Village Street Improvements	545,000	-	545,000
Westwood Reconst - 15th Street to Janwood	1,000,000	-	1,000,000
Windhaven Widening-City Limit to Spring Creek	3,600,000	-	3,600,000
18th Street Reconst - G to West of K Avenue	1,250,000	-	1,250,000
Brand Road widening- 544 to City Limits	800,000	-	800,000
Dallas North Estates Street Reconstruction	2,077,000	-	2,077,000
F Ave. and 14th St. Reconstruction	175,000	-	175,000
International Widening- Plano Pkwy to Midway	790,000	-	790,000
Los Rios Widening - Jupiter to Parker	2,000,000	-	2,000,000

PROPOSED 2009 BOND REFERENDUM PROJECTS & FUTURE YEARS

City Council Discussion 1/12/09

1/7/2009

Project	Project Cost	Future	Total
<u>Street Improvements (Cont.)</u>			
18th Street Reconstruction- Jupiter to Dale Drive	764,000	-	764,000
Chaparral Bridge at Cottonwood Creek	1,000,000	-	1,000,000
Dallas North Estates 5- Street Reconstruction	1,610,000	-	1,610,000
Los Rios Widening - S City Limits to 14th Street	2,000,000	-	2,000,000
Mapleshade Construction- Bush Tpk to Silverglen	830,000	-	830,000
Marsh Widening - Park to Parker	1,700,000	-	1,700,000
Park Widening- Shiloh to East City Limit	1,800,000	-	1,800,000
Plano Park 1 - Street Reconstruction	1,115,000	-	1,115,000
Dallas North Estates 2 - Street Reconstruction	91,000	759,000	850,000
Ridgeview Dr Construction - S.H. 121 to Coit	2,000,000	-	2,000,000
	<u>88,877,500</u>	<u>16,729,000</u>	<u>105,606,500</u>
<i>Revenue from Collin County</i>	<i>-20,948,000</i>		<i>-20,948,000</i>
<i>Revenue from Denton County</i>	<i>-1,500,000</i>		<i>-1,500,000</i>
<i>Revenue from East Side TIF</i>	<i>-500,000</i>		<i>-500,000</i>
<i>Revenue from RTR Funds</i>	<i>-22,897,000</i>		<i>-22,897,000</i>
<i>Revenue from TxDOT</i>	<i>-8,278,000</i>		<i>-8,278,000</i>
	<u><i>-54,123,000</i></u>		<u><i>-54,123,000</i></u>
Total Street Improvement Authority Needed	34,754,500	16,729,000	51,483,500
TOTAL PROJECTED AUTHORITY NEEDED	<u>148,122,500</u>	<u>53,229,000</u>	<u>201,351,500</u>



<p>PRELIMINARY PROJECT DESCRIPTIONS 2009 BOND REFERENDUM</p>

PUBLIC SAFETY FACILITIES PROJECTS

Engine/Fire Apparatus

This project includes one ladder truck and two engines as well as all the loose equipment and tools required to place these apparatus in service for emergency response.

Fiber Infrastructure Build-Out

Provide single-mode fiber to all City facilities. It will replace current SONET service from Verizon and increase bandwidth.

Fire Station 2

This project covers the addition of training and physical fitness areas to the front of the building. The current day room will be reconfigured to become a station officer's area.

Fire Station 6

This project covers kitchen remodel and expansion of the third bay north to add a training and physical fitness area.

Fire Station 7

This project covers reconfiguration of the day room, dormitory room, restrooms and the training and physical fitness areas.

Fire Station 13

Additional \$1 million needed for fire station #13 due to increased material costs for projected cost estimates.

Public Safety Communications Center

Purchase of land and construction of a new Public Safety Communications call-taking and dispatching center. The location of the facility is still to be determined.

Technology Services Facility

Purchase of land and construction of a new Technology Services facility. The location of the facility is still to be determined.

Video Surveillance

Centralize storage management and access for all video throughout the City. It will have a management suite and viewing at centralized locations and at distributed points.

LIBRARY FACILITIES PROJECT

Library Improvements

This project covers: interior painting, minor building modifications, and replacement of carpet, furniture, and wall coverings at Davis Library, replacement of furniture and four microform machines at Haggard Library, a new roof and boiler, modification of the loading dock area, replacement of a workroom countertop, and refinishing furniture at Harrington Library, reconfiguring the public space and replacement of carpet and furniture at Parr Library, and replacement of furniture, replacement of parking lot surface, and a new elevator control at Schimelpfenig Library.

PARK IMPROVEMENT PROJECTS

White Rock Community Park Development

Funding is for development of a community park located on White Rock Creek south of the intersection of Spring Creek Parkway and Windhaven Parkway. Improvements will include trails, sidewalks, pavilion, playground, parking, and other related park facilities.

Oak Point Park Development

Funding is for continued development of the park to include pavilion, restrooms, trails, parking, camp facilities and signage.

Trail Connections

Funding is for recreational trail connections throughout the city linking existing trails with newly-developed areas and adjacent cities.

Athletic Field Improvements

Funding will provide for continued development of shade structures, restroom additions, fencing, and additional parking at athletic sites throughout the city.

Park Improvements

Funding is for improvements to parks throughout the city including neighborhood parks, linear parks and community parks. Improvements could include irrigation systems, playgrounds, shade structures, lighting, benches, picnic tables, sidewalks, trees, parking, and other related park facilities.

Land Acquisitions

Funding is for land acquisitions including additional funding for the south central community park site, additions to Harrington Park and other acquisitions.

Athletic Field Renovations

Funding is for projects previously identified in the Capital Reserve Fund and is for the renovation of aging athletic sites including irrigation systems, backstops, fences, restrooms, lighting, and parking lots.

Arbor Hills Nature Preserve

Funding is for additional parking.

Pecan Hollow Golf Course Renovation and Expansion

This additional funding is for general renovation of the 35 year old course including driving range modifications, irrigation system renovation, drainage improvements, cart path improvements, and modifications to fairway alignments on selected holes. Funds would be combined with existing bond authorization identified for replacement of the golf course greens.

Maintenance Facility Renovation/Expansion

Funding is for renovation and expansion of aging park maintenance facilities at Jack Carter Park and Schell Park.

Downtown Improvements

Funding is for improvements in the downtown area to include additional lighting and renovation of McCall Plaza. Improvements would also include additional water and electrical services to support special events.

RECREATION CENTER PROJECTS

Aquatic Center Renovations

Funding is for complete renovation of the existing 30 year old pool to include improved locker rooms, family changing rooms, deck improvements, and water amenities.

Carpenter Expansion/ Senior Center

Additional funding is for expansion and renovation of Carpenter Park Recreation Center. Funds would be combined with existing bond authorization to complete the planned improvements.

Senior Center/ Wellness Center Expansion

Funding is for expansion of the senior center to include a fitness room, dining room, classrooms and parking. The improvements would also include expansion of the Geriatric Wellness Center offices, exam rooms, meeting rooms, and related spaces.

Oak Point Recreation Center Expansion

Funding is for expansion of Oak Point Recreation Center to include expanded exercise facilities and additional classroom space.

Douglass Community Center

Funding is for exterior renovation and accessibility improvements.

STREET IMPROVEMENT PROJECTS

14th Street Reconstruction – K to Ridgewood

Reconstruction of 14th Street from Avenue K to Ridgewood Drive.

15th Street Reconstruction– G Ave to US 75

This project consists of reconstruction of 15th Street from G Avenue to I Avenue, including brick sidewalks, landscaping and placement of underground utilities.

17th Street/R Avenue Reconstruction

Complete reconstruction of the following streets: 17th Street between P Avenue and R Avenue & R Avenue between 17th Street and 18th Street.

Alley Reconstruction at Various Locations

Reconstruction of deteriorated concrete alleys. Reconstruction of deteriorated concrete alleys.

Barrier Free Ramps at Various Locations

Construct ramps in residential neighborhoods and major thoroughfares to meet ADA standards.

Communications Pkwy Construction - Spring Creek to Tennyson

Completion of the extension of Communications Parkway from Spring Creek to Tennyson as a six-lane divided thoroughfare.

Computerized Signal System Improvements

The system controls all signalized intersections via a traffic control center. All current and future signals will be connected to the control center. This project includes the installation of video cameras at critical intersections to monitor the traffic first hand. This will be an on-going project with upgrades and improvements made when appropriate. Also includes establishing wireless communication links between the Traffic Management Center and the existing and proposed camera locations.

Dallas North Estates 3 - Street Reconstruction

Complete reconstruction of existing street pavement and sidewalks on the following streets: Edgefield - Janwood to Springbrook; Linden - Edgefield to Ridgefield; & Meadowcrest - Springbrook to Ridgefield.

East Side Entryway Features and Landscaping

Construction of entryway features east of U.S.75 to create more aesthetically appearing roadways. Specific projects include: RT Corner Treatments (50% City matching); Parker Road Enhancements; & Entry Features (to be decided).

Independence Parkway Corridor Intersection Improvements

Construction of additional left turn and right turn lanes from 15th Street to Parker Road, including realigning the north and south bound lanes at 15th Street.

Intersection Improvements at Various Locations

This project includes the addition of left- and/or right-turn lanes at various intersections throughout the City.

Intersection Improvements – 2008

Intersection improvements at five (5) locations throughout the City, specifically: Preston Road at Spring Creek Parkway; Preston Road at Hedcoxe Road (schematic only); Spring Creek Parkway at Parker Road; Jupiter Road at Summit Drive; & Jupiter Road at Technology Drive.

Landscaping Street Enhancements on Various Roads

Construction of additional entryways, landscaping and other enhancements on various roadways throughout the City.

Legacy Drive Corridor Intersection Improvements

Construction of additional left and right turn lanes from Custer Road to K Ave.

McDermott Road Widening- Coit to Ohio

Widen McDermott Road to a six-lane divided thoroughfare from Coit Road to Ohio Drive.

Meadows Addition Street Improvements

Complete reconstruction of street, sidewalks and drive approaches in the Meadows #1 area. The project location includes: Rigsbee Drive - 14th Street to Janet Way; Meadows Drive - Ridsbee to Price; Ridgeway Drive - Rigsbee to Meadows; 15th Street - Rigsbee to Meadows; & Rice Drive - Meadows to Sherrye.

New Concrete Alleys at Various Locations

Construct concrete alleys to replace dirt alley locations.

Oversize Participation

This project maintains participation with developers for various oversize paving and drainage improvements. These are requirements per the Subdivision Ordinance.

P Avenue/18th Street/Belle View – Street Reconstruction

Complete reconstruction of existing concrete streets including sidewalks and residential drive approaches: 18th Street between P Avenue east to Red Bud Lane; P Avenue from 17th Street north to 18th Street; 17th Street - P Avenue to N Avenue; N Place - 18th Street to 17th Street; O Avenue - 17th Street to 18th Street; & Concord Circle - 17th Street to end.

Park Boulevard Corridor Intersection Improvements

Construction of additional left and right turn lanes from Coit Road to Jupiter Road.

Park Blvd/US 75 Pedestrian Crossing

Improve pedestrian access to the Parker Road DART station along Park Boulevard by widening the pedestrian crossing on the bridge over US 75 and widening sidewalks from Chisholm Trail to the station.

Park Streets – Adjacent to Parks

Construct various roadway sections adjacent to City parks, including neighborhood streets, thoroughfares and drainage facilities.

Parker Road Corridor Intersection Improvements

Construction of additional left and right turn lanes from Coit Road to Alma Drive.

Permanent Traffic Calming Improvements

This project will place permanent traffic calming devices as part of the Neighborhood Traffic Safety Program. Since these are new permanent improvements funding was proposed through bond funds rather than general operating funds.

Preston Road Corridor Intersection Improvements

Construction of additional left and right turn lanes from Parker Road to Headquarters Drive.

Preston/Legacy Intersection Improvements

Construction of at-grade median left turn intersection improvements at Preston Road and Legacy Drive.

Preston/Plano Parkway Intersection Improvements

This project is for construction of at-grade median left turn intersection improvements.

Preston/S.H. 190 Intersection Improvements

Addition of a southbound right-turn lane on Preston Road at Bush Tollroad. Evaluate widening the bridge over Bush to add left-turn lanes and an additional northbound lane on Preston, north of Bush.

Railroad Corridor Studies

In coordination with COG, DART and adjacent cities a corridor study of the Burlington Northern, Cotton Belt and the Red line extension will evaluate the options and details of extending passenger rail service.

Rasor Road Construction- Ohio to SH 121

Complete six-lane divided thoroughfare from Ohio Drive to SH 121.

Redevelopment Street Improvements

As areas of the City begin redeveloping, it will be necessary for the City to make various street improvements to facilitate the development. These funds will be used to build new streets and reconstruct existing substandard streets. Funding in the re-estimate is associated with an agreement between the City and Lexington for redevelopment of Rice Field.

Roadway Median Landscaping at Various Locations

Landscaping of thoroughfare medians throughout the City.

Screening Wall Reconstruction at Various Locations

The complete reconstruction of concrete screening walls along major thoroughfares is this project function.

Shiloh Road Widening - 14th Street to Park Boulevard

Construction of the two eastern lanes to complete a four-lane divided thoroughfare.

Split Trail Reconstruction – Spring Creek to K

Reconstruction of existing asphalt roadway to a concrete collector roadway.

Spring Creek Pkwy at Coit Intersection Imp. (TIP)

Construction of at-grade median left turn intersection improvements at Spring Creek Parkway and Coit Road.

Spring Creek Pkwy Corridor Intersection improvements

Reconstruction of the existing improvements at Independence and Custer to a normalized intersection including double lefts and right turn lanes.

Spring Creek Pkwy Widening - Park to Parker

Construction of the eastern two lanes to complete a four-lane divided thoroughfare.

Street Reconstruction at Various Locations

Complete reconstruction of concrete streets at various locations throughout the city.

Traffic Signalization at New Locations

This project is responsible for the construction of new traffic signals.

West Plano Village – Street Improvements

Reimbursement for the public street improvements associated with the development.

Westwood Drive Reconstruction - 15th Street to Janwood

Complete reconstruction of street and sidewalks with storm drainage improvements.

Windhaven Pkwy Widening- City Limit to Spring Creek

Widen Windhaven Parkway to six lanes from the City limit to Spring Creek Parkway.

18th Street Reconstruction– G Ave to West of K Ave

Reconstruction of existing roadway with finished sidewalks and landscaped roadways.

Brand Road Widening - S of 544 to City Limits

Widen existing four lanes of Brand Road to a six-lane divided thoroughfare from south of F.M. 544 to the City limits.

Dallas North Estates - Street Reconstruction

Complete reconstruction of streets, sidewalks and drive approaches in the Dallas North subdivision. Specific locations include: Amherst Drive - Frenwood to Brentwood; Brentwood Drive - 15th Street to Janwood; Crestridge Drive - 15th Street to Janwood; Drexel Drive - Amherst to Janwood.

F Ave. and 14th St. Reconstruction

Replace asphalt pavement with reinforced concrete on F Avenue from 14th Street to the 13th/14th Street Connector and on 14th Street from E Avenue to F Avenue.

International Pkwy Widening- Plano Pkwy to Midway

Widen International to a six-lane divided thoroughfare from Plano Parkway to Midway.

Los Rios Blvd. Widening - Jupiter to Parker

Construction of the remaining half of a four-lane divided thoroughfare for Los Rios, north of Parker.

18th Street Reconstruction- Jupiter to Dale Drive

Complete reconstruction of the existing street, sidewalks and drive approaches in conjunction with storm drainage improvements.

Chaparral Bridge at Cottonwood Creek

Construction of the south two-lane bridge on Chaparral Road over Cottonwood Creek.

Dallas North Estates 5 – Street Reconstruction

Complete reconstruction of existing street pavement and sidewalks on the following streets: Ridgefield/Quill - Springbrook to Meadowcrest; Potomac - Springbrook to Ridgefield; Oakhill - Springbrook to Ridgefield; & Northridge - Springbrook to Ridgefield.

Los Rios Blvd. Widening – S. City Limits to 14th Street

Widen existing four lanes of Los Rios to a six-lane divided thoroughfare from south City limits to 14th Street.

Mapleshade Construction - Bush Tpk. to Silverglen

Construction of a four-lane divided thoroughfare, east of Silverglen, across UTD property to connect to the service road of the George Bush Turnpike.

Marsh Lane Widening- Park to Parker

Widen Marsh Lane to a six-lane divided thoroughfare between Park to Parker.

Park Blvd. Widening - Shiloh to East City Limit

Widen Park Boulevard from the existing four lanes to a six-lane divided thoroughfare from Shiloh to the east City limit.

Plano Park 1 – Street Reconstruction

Complete reconstruction of existing street pavement and sidewalks on the following: Japonica - Jasmine to P Avenue; Laurel Lane - Jasmine to P Avenue; Jasmine - Japonica to Hawthorne; & Mimosa - P Avenue to Willow Lane.

Dallas North Estates 2 - Street Reconstruction

Complete reconstruction of existing street pavement and sidewalks on the following streets: Fernwood - Westwood to Edgefield; Glenwick - Westwood to Edgefield; Aldridge - Westwood to Edgefield.

Ridgeview Drive Construction - S.H. 121 to Coit

This project is for the construction of a four-lane divided thoroughfare on Ridgeview Drive from S.H. 121 to Coit Road.

**PROPOSED 2009 BOND REFERENDUM
TAX RATE IMPACT ASSUMPTIONS
January 12, 2009**

- **Existing Property Values** - Flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that.
- **New Growth** - \$700 million in 2009-10, \$550 million in 2010-11, \$250 million in 2011-13.
- **Existing Authority** – Assumes \$22.97 million in existing authority and \$6.29 million in Tax Notes will be sold in 2008-09, \$34.67 million in existing authority will be sold in 2009-10 and \$9.50 million in existing authority will be sold in 2010-11.
- **Does not** include any additional Bond Referendums schedules for the future.
- Assumes **current O & M Tax Rate of 32.68** for support of existing General Fund programs. **Additional O & M costs** for these projects are **included** in each year.
- **Total Tax Rate Impact** includes new debt issuance, O&M costs, remaining authority issues and existing debt currently issued.

**2009 PROPOSED BOND REFERENDUM
VARIANCE & CUMULATIVE TAX RATE IMPACT
ISSUANCE OVER FOUR (4) YEARS**

	Variance Maximum	Cumulative Over 4 Years
\$100 Million New Authority	3.79	3.71
\$110 Million New Authority	3.86	3.97
\$120 Million New Authority	3.93	4.24
\$130 Million New Authority	4.01	4.51
\$140 Million New Authority	4.08	4.78
\$150 Million New Authority	4.15	5.05

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$100 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 25,000,000		1,921,904	1,921,904	1,921,904	1,921,904
Bonds 25,000,000			1,921,904	1,921,904	1,921,904
Bonds 25,000,000				1,921,904	1,921,904
Bonds 25,000,000					<u>1,921,904</u>
	0	1,921,904	3,843,807	5,765,711	7,687,614
Debt Service					
Tax Rate Impact		0.73	1.41	2.06	2.69
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.08	3.23	2.34	3.01
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.10	18.05	18.03	18.05

*Projected Tax Rate	47.35	51.14	52.55	50.99	51.06
Total Tax Rate Impact		3.79	1.42	-1.56	0.07

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$110 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 27,500,000		2,114,094	2,114,094	2,114,094	2,114,094
Bonds 27,500,000			2,114,094	2,114,094	2,114,094
Bonds 27,500,000				2,114,094	2,114,094
Bonds 27,500,000					<u>2,114,094</u>
	0	2,114,094	4,228,188	6,342,282	8,456,376
Debt Service					
Tax Rate Impact		0.80	1.55	2.27	2.95
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.16	3.37	2.55	3.28
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.17</u>	<u>18.19</u>	<u>18.24</u>	<u>18.32</u>

*Projected Tax Rate	47.35	51.21	52.69	51.20	51.32
Total Tax Rate Impact		3.86	1.48	-1.50	0.13

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$120 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 30,000,000		2,306,284	2,306,284	2,306,284	2,306,284
Bonds 30,000,000			2,306,284	2,306,284	2,306,284
Bonds 30,000,000				2,306,284	2,306,284
Bonds 30,000,000					<u>2,306,284</u>
	0	2,306,284	4,612,569	6,918,853	9,225,137
Debt Service					
Tax Rate Impact		0.87	1.69	2.47	3.22
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.23	3.52	2.75	3.54
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.25	18.33	18.44	18.59
*Projected Tax Rate					
	47.35	51.28	52.83	51.40	51.59
Total Tax Rate Impact					
		3.93	1.55	-1.43	0.19

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each
**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.
*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

1/7/2009

**PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$130 MILLION NEW AUTHORITY**

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 32,500,000		2,498,475	2,498,475	2,498,475	2,498,475
Bonds 32,500,000			2,498,475	2,498,475	2,498,475
Bonds 32,500,000				2,498,475	2,498,475
Bonds 32,500,000					<u>2,498,475</u>
	0	2,498,475	4,996,949	7,495,424	9,993,899
Debt Service					
Tax Rate Impact		0.94	1.83	2.68	3.49
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.30	3.66	2.96	3.81
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.32</u>	<u>18.47</u>	<u>18.65</u>	<u>18.86</u>
*Projected Tax Rate	47.35	51.36	52.98	51.61	51.86
Total Tax Rate Impact		4.01	1.62	-1.37	0.25

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

1/7/2009

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$140 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 35,000,000		2,690,665	2,690,665	2,690,665	2,690,665
Bonds 35,000,000			2,690,665	2,690,665	2,690,665
Bonds 35,000,000				2,690,665	2,690,665
Bonds 35,000,000					<u>2,690,665</u>
Debt Service	0	2,690,665	5,381,330	8,071,995	10,762,660
Tax Rate Impact		1.02	1.97	2.89	3.76
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.37	3.80	3.17	4.08
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.39	18.61	18.86	19.13
*Projected Tax Rate	47.35	51.43	53.12	51.81	52.13
Total Tax Rate Impact		4.08	1.69	-1.30	0.32

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR VARIANCE TAX RATE IMPACT
\$150 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 37,500,000		2,882,855	2,882,855	2,882,855	2,882,855
Bonds 37,500,000			2,882,855	2,882,855	2,882,855
Bonds 37,500,000				2,882,855	2,882,855
Bonds 37,500,000					<u>2,882,855</u>
	0	2,882,855	5,765,711	8,648,566	11,531,422
Debt Service					
Tax Rate Impact		1.09	2.11	3.09	4.03
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.45	3.94	3.37	4.35
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.46</u>	<u>18.75</u>	<u>19.06</u>	<u>19.40</u>
*Projected Tax Rate	47.35	51.50	53.26	52.02	52.40
Total Tax Rate Impact		4.15	1.76	-1.24	0.38

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$100 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 25,000,000		1,921,904	1,921,904	1,921,904	1,921,904
Bonds 25,000,000			1,921,904	1,921,904	1,921,904
Bonds 25,000,000				1,921,904	1,921,904
Bonds 25,000,000					<u>1,921,904</u>
	0	1,921,904	3,843,807	5,765,711	7,687,614
Debt Service					
Tax Rate Impact		0.73	1.41	2.06	2.69
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact (Debt and O & M)		<u>2.08</u>	<u>3.23</u>	<u>2.34</u>	<u>3.01</u>
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.10</u>	<u>18.05</u>	<u>18.03</u>	<u>18.05</u>
*Projected Tax Rate					
	47.35	51.14	52.55	50.99	51.06
Total Tax Rate Impact					
		3.79	5.20	3.64	3.71

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$110 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds	27,500,000	2,114,094	2,114,094	2,114,094	2,114,094
Bonds	27,500,000		2,114,094	2,114,094	2,114,094
Bonds	27,500,000			2,114,094	2,114,094
Bonds	27,500,000				<u>2,114,094</u>
	0	2,114,094	4,228,188	6,342,282	8,456,376
Debt Service					
Tax Rate Impact		0.80	1.55	2.27	2.95
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.16	3.37	2.55	3.28
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.17</u>	<u>18.19</u>	<u>18.24</u>	<u>18.32</u>

*Projected Tax Rate	47.35	51.21	52.69	51.20	51.32
Tax Rate Impact		3.86	5.34	3.85	3.97

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

1/7/2009

**PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$120 MILLION NEW AUTHORITY**

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 30,000,000		2,306,284	2,306,284	2,306,284	2,306,284
Bonds 30,000,000			2,306,284	2,306,284	2,306,284
Bonds 30,000,000				2,306,284	2,306,284
Bonds 30,000,000					<u>2,306,284</u>
Debt Service	0	2,306,284	4,612,569	6,918,853	9,225,137
Tax Rate Impact		0.87	1.69	2.47	3.22
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.23	3.52	2.75	3.54
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		<u>17.25</u>	<u>18.33</u>	<u>18.44</u>	<u>18.59</u>
*Projected Tax Rate	47.35	51.28	52.83	51.40	51.59
Tax Rate Impact		3.93	5.48	4.05	4.24

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$130 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 32,500,000		2,498,475	2,498,475	2,498,475	2,498,475
Bonds 32,500,000			2,498,475	2,498,475	2,498,475
Bonds 32,500,000				2,498,475	2,498,475
Bonds 32,500,000					<u>2,498,475</u>
Debt Service					
Tax Rate Impact	0	2,498,475	4,996,949	7,495,424	9,993,899
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.30	3.66	2.96	3.81
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.32	18.47	18.65	18.86
*Projected Tax Rate	47.35	51.36	52.98	51.61	51.86
Tax Rate Impact		4.01	5.63	4.26	4.51

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

1/7/2009

PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$140 MILLION NEW AUTHORITY

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 35,000,000		2,690,665	2,690,665	2,690,665	2,690,665
Bonds 35,000,000			2,690,665	2,690,665	2,690,665
Bonds 35,000,000				2,690,665	2,690,665
Bonds 35,000,000					<u>2,690,665</u>
Debt Service	0	2,690,665	5,381,330	8,071,995	10,762,660
Tax Rate Impact		1.02	1.97	2.89	3.76
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.37	3.80	3.17	4.08
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.39	18.61	18.86	19.13
*Projected Tax Rate	47.35	51.43	53.12	51.81	52.13
Tax Rate Impact		4.08	5.77	4.46	4.78

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

1/7/2009

**PRELIMINARY COMMUNITY INVESTMENT PROGRAM
4 YEAR CUMULATIVE TAX RATE IMPACT
\$150 MILLION NEW AUTHORITY**

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>12-13</u>
Bond Sale					
Bonds 37,500,000		2,882,855	2,882,855	2,882,855	2,882,855
Bonds 37,500,000			2,882,855	2,882,855	2,882,855
Bonds 37,500,000				2,882,855	2,882,855
Bonds 37,500,000					<u>2,882,855</u>
	0	2,882,855	5,765,711	8,648,566	11,531,422
Debt Service					
Tax Rate Impact		1.09	2.11	3.09	4.03
Additional					
O & M Costs		3,594,644	4,984,043	779,098	922,416
O & M Tax Rate Impact		1.36	1.83	0.28	0.32
New Issue					
Tax Rate Impact		2.45	3.94	3.37	4.35
(Debt and O & M)					
Existing Debt	40,310,939	39,553,458	37,937,920	36,643,644	35,995,886
2008-09 Issue	642,683	2,781,892	2,780,513	2,779,076	2,777,576
Remaining Authority***		780,188	2,879,363	3,395,773	3,395,773
Projected Tax Notes/COs		<u>253,460</u>	<u>1,827,658</u>	<u>1,827,658</u>	<u>1,827,658</u>
Total Remaining Debt	40,953,622	43,368,998	45,425,454	44,646,151	43,996,893
Existing Debt Rate	14.67	16.37	16.64	15.97	15.37
Tax Rate Impact		1.70	1.97	1.30	0.70
Debt Service					
Rate Required		17.46	18.75	19.06	19.40

*Projected Tax Rate	47.35	51.50	53.26	52.02	52.40
Tax Rate Impact		4.15	5.91	4.67	5.05

ASSESSED VALUE ASSUMPTION**

Existing	25,225,636,635	25,785,315,308	26,750,168,461	27,709,670,988	28,379,066,053
New	<u>559,678,673</u>	<u>700,000,000</u>	<u>550,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Total	25,785,315,308	26,485,315,308	27,300,168,461	27,959,670,988	28,629,066,053

*Assumes current O & M Tax Rate of 32.68 for support of existing General Fund programs. Additional O & M costs for these projects are included in each year.

**Assumes a flat existing value in 2009-10; 1% increase in 2010-11; and a 2% increase each year after that + new growth of \$700 million in 2009-10, \$550 million in 2010-11, \$250 in 2011-13.

*** Includes payments for the remaining portions Creative and Performing Art Facility Debt Starting in 2009-10

**PROPOSED 2009 BOND PROGRAM
PROJECTED CAPITAL RESERVE IMPACT**

MUNICIPAL FACILITIES PROJECTS

	2009-10	2010-11	2011-12	2012-13	Future
Public Safety Facilities					
Fiber Infrastructure Build-Out	-	187,500	187,500	187,500	187,500
Fire Station 13	37,500	37,500	37,500	37,500	37,500
Fire Station 2	-	56,250	56,250	56,250	56,250
Fire Station 6	-	-	56,250	56,250	56,250
Fire Station 7	56,250	56,250	56,250	56,250	56,250
Public Safety Communications Center	60,000	285,000	285,000	285,000	285,000
Technology Services Facility	63,750	300,000	300,000	300,000	300,000
					-
Library Facilities					
Library Improvements	19,905	51,210	65,625	65,625	65,625
TOTAL FACILITIES	237,405	973,710	1,044,375	1,044,375	1,044,375

PARK IMPROVEMENT PROJECTS

	2009-10	2010-11	2011-12	2012-13	Total
White Rock Community Park Development	12,500	125,000	125,000	125,000	125,000
Oak Point Park Development	-	12,500	162,500	162,500	162,500
Trail Connections	31,250	62,500	93,750	125,000	125,000
Athletic Field Renovations	50,000	100,000	150,000	200,000	200,000
Park Improvements	25,000	50,000	75,000	100,000	100,000
Land Acquisitions	12,500	87,500	262,500	381,250	381,250
Athletic Field Improvements	25,000	50,000	75,000	100,000	100,000
Arbor Hills Nature Preserve	-	1,250	10,000	10,000	10,000
Pecan Hollow Golf Course	175,000	175,000	175,000	175,000	175,000
Maintenance Facility Expansion/Renov.	-	2,500	25,000	25,000	25,000
Downtown Improvements	-	-	-	22,500	22,500
TOTAL PARK IMPROVEMENTS	331,250	666,250	1,153,750	1,426,250	1,426,250

RECREATION CENTERS

	2009-10	2010-11	2011-12	2012-13	Total
Aquatic Center Renovation	18,750	131,250	131,250	131,250	131,250
Carpenter Park Recreation Center Expansion	225,000	225,000	225,000	225,000	225,000
Senior Center/Wellness Center Expansion	-	18,750	281,250	281,250	281,250
Oak Point Rec Center Expansion	-	-	22,500	247,500	247,500
Douglass Community Center	-	-	1,875	18,750	18,750
TOTAL RECREATION CENTERS	243,750	375,000	661,875	903,750	903,750

STREET IMPROVEMENTS

	2009-10	2010-11	2011-12	2012-13	Total
14th Street - K to Ridgewood	21,429	21,429	21,429	21,429	21,429
15th Street - G Ave to US 75	52,586	52,586	52,586	52,586	52,586
17th Street/R Avenue Reconstruction	17,143	17,143	17,143	17,143	17,143
Alley Reconstruction	4,286	8,571	12,857	17,143	17,143
Barrier Free Ramps	2,143	4,286	6,429	8,571	8,571
Communications - Spring Creek to Tennyson	51,643	51,643	51,643	51,643	51,643
Computerized Signal System	5,357	10,714	16,071	21,429	21,429
Dallas North Estates 3	3,236	30,236	30,236	30,236	30,236
East Side Entryway	2,357	2,357	2,357	2,357	2,357
Independence Corridor Intersection Imp	31,543	31,543	31,543	31,543	31,543

PROPOSED 2009 BOND PROGRAM
PROJECTED CAPITAL RESERVE IMPACT

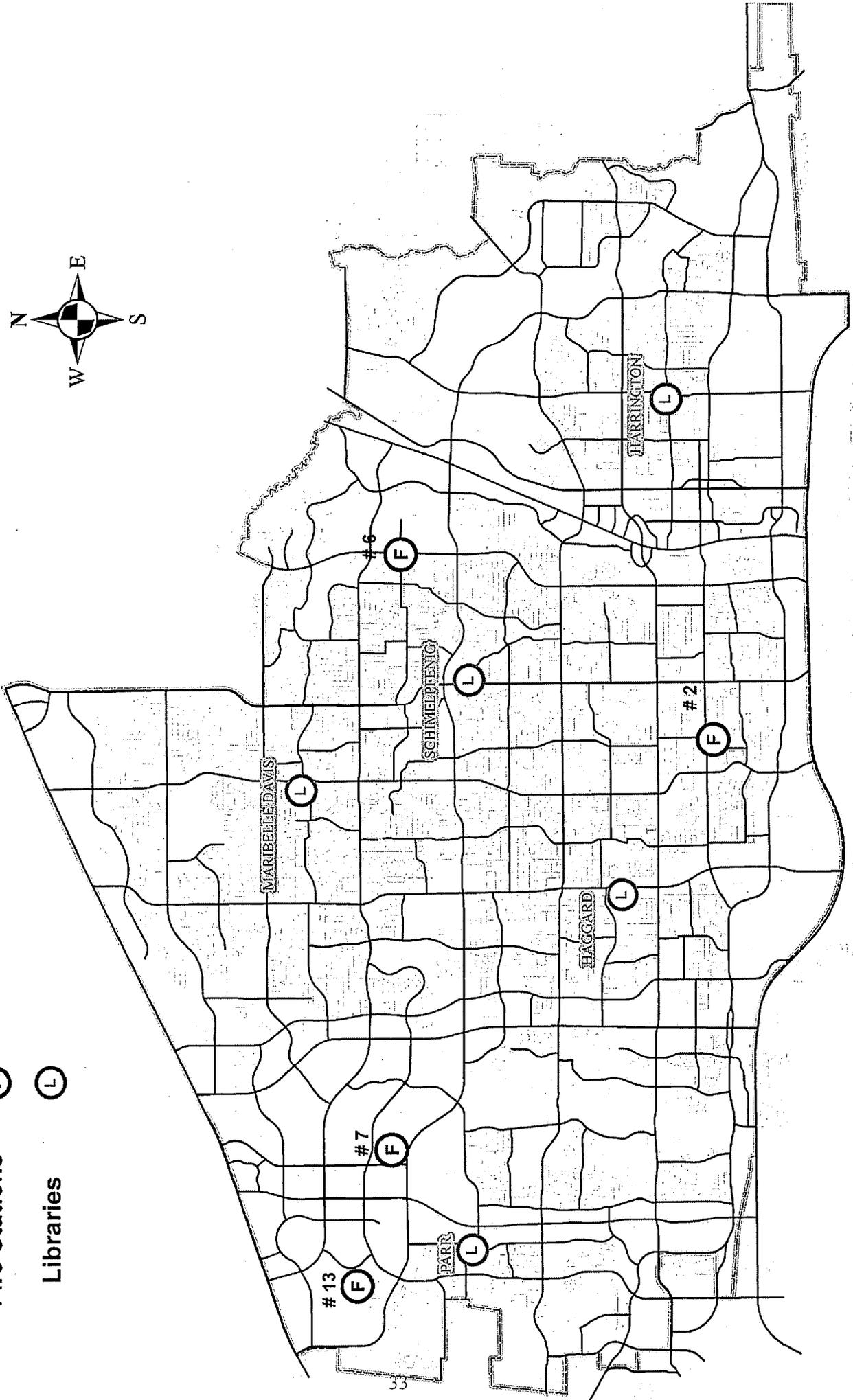
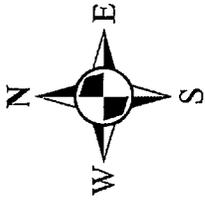
STREET IMPROVEMENTS (Cont.)

	2009-10	2010-11	2011-12	2012-13	Total
Intersection Improvements	32,143	64,286	96,429	128,571	128,571
Intersection Improvements 2008	11,186	11,186	11,186	11,186	11,186
Landscaping Street Enhancements	2,807	5,164	17,164	19,521	19,521
Legacy Corridor Intersection Imp	4,286	31,179	31,179	31,179	31,179
McDermott - Coit to Ohio	21,429	21,429	21,429	21,429	21,429
Meadows Addition Street Improvements	34,993	34,993	34,993	34,993	34,993
New Concrete Alleys	2,143	4,286	6,429	8,571	8,571
Oversize Participation	6,429	10,714	12,857	15,000	15,000
P Avenue/18th Street/Belle View	6,214	6,214	6,214	6,214	6,214
Park Blvd/US 75 Pedestrian Crossing	2,143	28,339	28,339	28,339	28,339
Park Streets	2,143	2,143	4,286	4,286	4,286
Parker Rd corridor intersection imp	32,143	32,143	32,143	32,143	32,143
Permanent Traffic Calming Devices	2,143	4,286	6,429	8,571	8,571
Preston Road corridor intersection imp	4,286	65,571	65,571	65,571	65,571
Preston/Legacy Intersection Imp.	10,714	10,714	10,714	10,714	10,714
Preston/Plano Parkway Intersection	40,500	40,500	40,500	40,500	40,500
Preston/SH 190 Intersection Imp.	2,143	60,000	60,000	60,000	60,000
Railroad Corridor Studies	2,143	2,143	2,143	2,143	2,143
Rasor - Ohio to SH 121	42,857	42,857	42,857	42,857	42,857
Redevelopment Street Improvements	21,429	42,857	64,286	64,286	64,286
Roadway Median Landscaping	1,179	2,357	3,536	4,714	4,714
Screening Wall Reconstruction	11,786	23,571	35,357	47,143	47,143
Shiloh - 14th Street to Park Boulevard	3,214	64,071	64,071	64,071	64,071
Split Trail - Spring Creek to K	16,071	16,071	16,071	16,071	16,071
Spring Creek at Coit Intersection Imp. (TIP)	35,464	35,464	35,464	35,464	35,464
Spring Creek corridor intersection imp	8,571	64,821	64,821	64,821	64,821
Spring Creek Pkwy - Park to Parker	4,286	64,286	64,286	64,286	64,286
Street Reconstruction	21,429	42,857	64,286	85,714	85,714
Traffic Signalization	10,714	21,429	32,143	42,857	42,857
West Plano Village	11,679	11,679	11,679	11,679	11,679
Westwood - 15th Street to Janwood	21,429	21,429	21,429	21,429	21,429
Windhaven - City Limit to Spring Creek	77,143	77,143	77,143	77,143	77,143
18th Street - G to West of K Avenue	-	26,786	26,786	26,786	26,786
Brand Road South - 544 to City Limits	-	2,143	2,143	2,143	2,143
Dallas North Estates	-	4,779	44,507	44,507	44,507
F Ave. and 14th St. Reconstruction	-	536	3,750	3,750	3,750
International - Plano Pkwy to Midway	-	1,929	16,929	16,929	16,929
Los Rios - Jupiter to Parker, Phase 2	-	2,571	42,857	42,857	42,857
18th Street - Jupiter to Dale Drive	-	-	1,757	16,371	16,371
Chaparral Br/Cottonwood Cr	-	-	21,429	21,429	21,429
Dallas North Estates 5	-	-	3,707	34,500	34,500
Los Rios - S City Limits to 14th Street	-	-	42,857	42,857	42,857
Mapleshade - Bush Tpk to Silverglen	-	-	17,786	17,786	17,786
Marsh - Park to Parker	-	-	36,429	36,429	36,429
Park - Shiloh to East City Limit	-	-	2,400	38,571	38,571
Plano Park 1	-	-	2,571	23,893	23,893
Dallas North Estates 2	-	-	-	1,950	1,950
Ridgeview - S.H. 121 to Coit	-	-	-	42,857	42,857
TOTAL STREET IMPROVMENTS	698,957	1,235,432	1,593,632	1,839,161	1,839,161
TOTAL CAPITAL RESERVE IMPACT	1,511,362	3,250,392	4,453,632	5,213,536	5,213,536

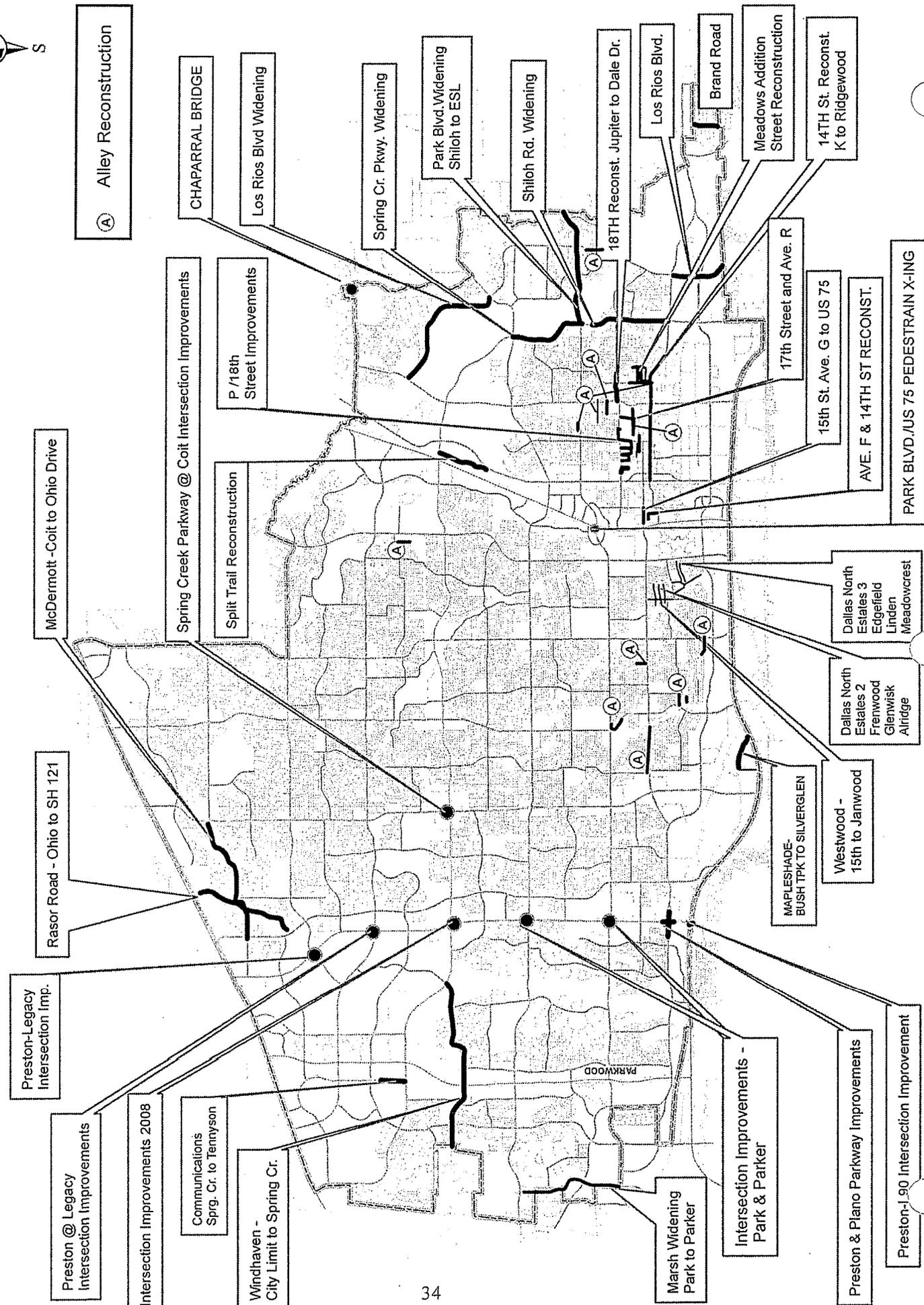
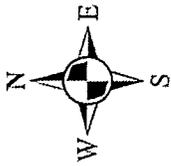
CITY OF PLANO FACILITY PROJECTS

Fire Stations (F)

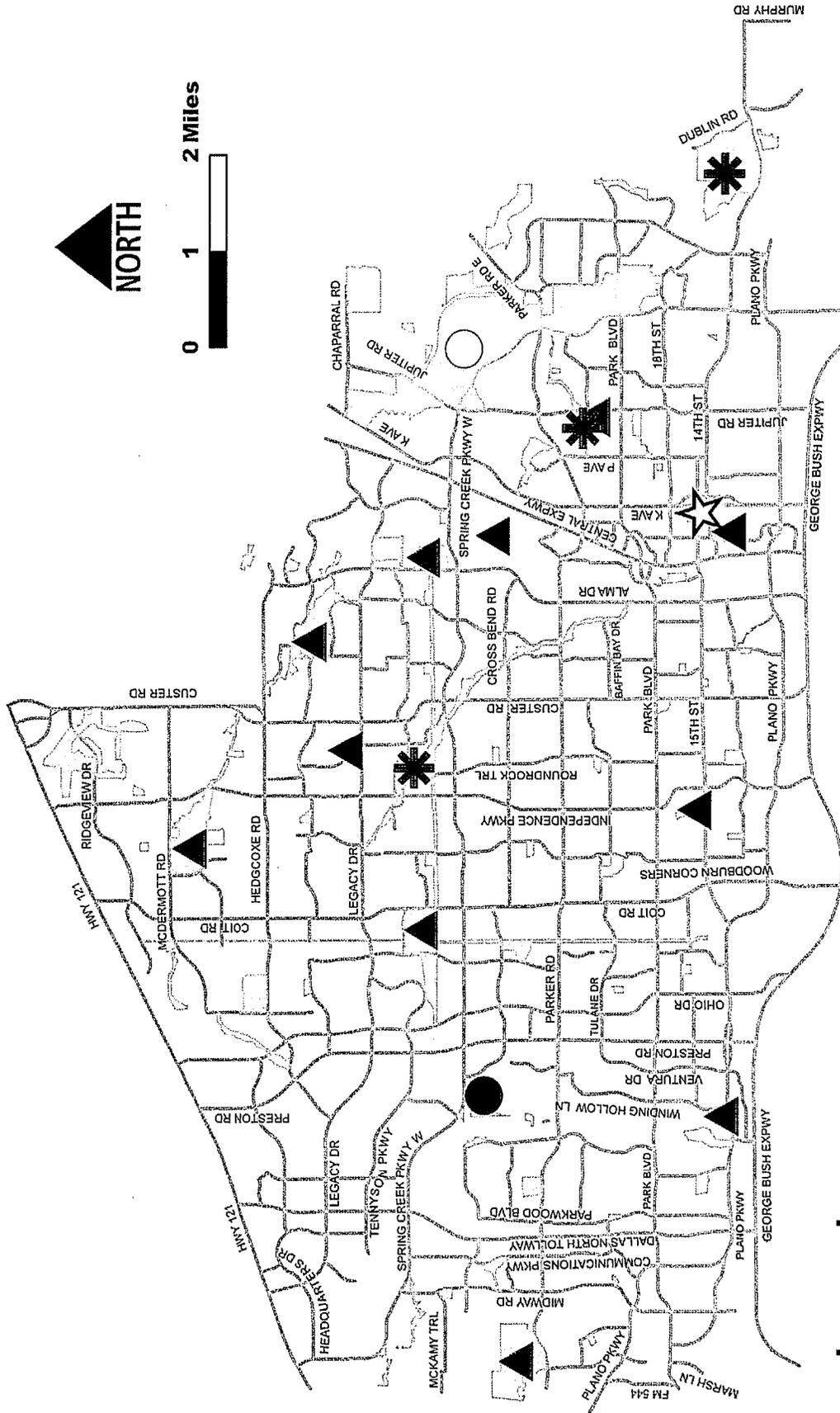
Libraries (L)



CITY OF PLANO ENGINEERING PROJECTS



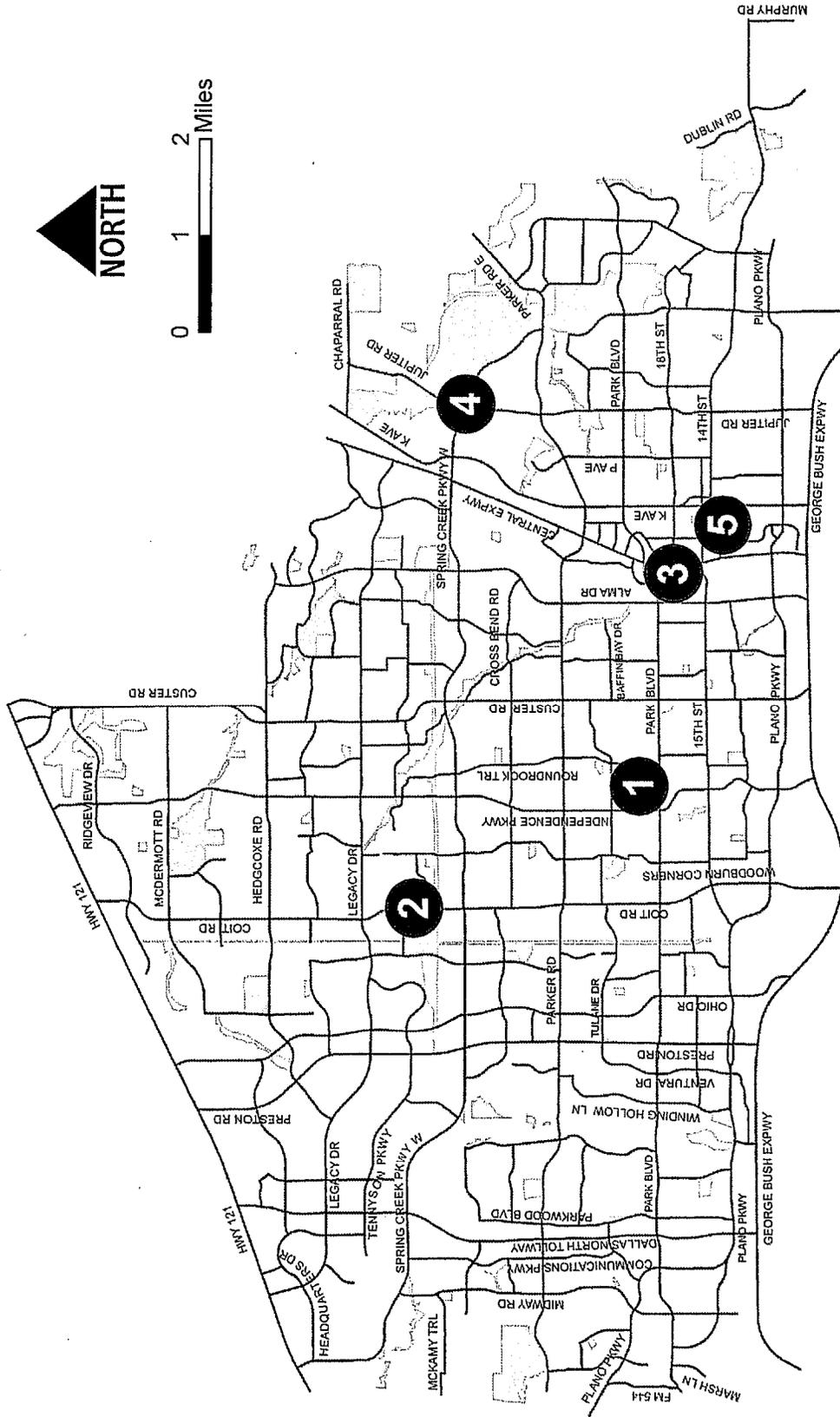
2009 Park Improvement Projects



Legend

- White Rock Community Park Development
- Oak Point Park Development
- ▲ Athletic Field Improvements/ Renovations
- ▲ Park Improvements
- ▲ Arbor Hills Nature Preserve
- ★ Pecan Hollow Golf Course Renovations
- ★ Maintenance Facility Renovation/ Expansion
- ☆ Downtown Improvements

2009 Recreation Center Projects



- 1.) Aquatic Center Renovations
- 2.) Carpenter Expansion
- 3.) Senior Center/ Wellness Center Expansion
- 4.) Oak Point Recreation Center Expansion
- 5.) Douglass Community Center Renovations

MEMORANDUM

DATE: January 7, 2009

TO: Thomas H. Muehlenbeck, City Manager

FROM: Jeff Zimmerman, Facilities Planning Committee

SUBJECT: Preliminary Project List - 2009 Bond Referendum

Over the last several months, the members of the Facilities Planning Committee (FPC) have been actively involved in the identifying and evaluating projects for possible inclusion in the 2009 Bond Referendum. Most recently FPC discussed reports received from boards and commissions on the project list. Their input was generally positive and does not appear to require additional information or clarification on our part.

The street, park, and recreation center projects are listed in order of priority by the responsible departments. Without knowing the financial implications of the proposed bond program, we cannot recommend the removal of specific projects to reach a certain expenditure level. The committee would like to provide the following comments for your consideration:

1. Priority should be given to projects that protect existing assets and reduce the potential for major expenditures in the future.
2. Sustainability and the reduction of long term expenditures for O/M costs should factor heavily into the evaluation process.
3. There may be opportunities to "scale back" projects or adapt existing facilities to accommodate expanding operations in one area and "downsizing" in another.
4. Some projects may appear as low priority like Landscaping Street Enhancements, but could ultimately affect community character, a trademark of Plano.
5. A number of projects relate directly to the goals of City Council's Strategic Plan by complementing private development and redevelopment and need to be considered in terms of their overall impact on the community.
6. It should be emphasized that the total Street Improvements funding of \$88.9 million includes \$34.8 million (39%) of Plano bond authority supplemented by \$54.1+ million (61%) of revenue from other sources.

The Facilities Planning Committee appreciates the opportunity to provide input to this very important effort. Please let me know if we can be of further assistance.

xc: Facilities Planning Committee

Memorandum

DATE: December 30, 2008

TO: Honorable Mayor and City Council

FROM: Brian Chaput, Chairperson, Heritage Commission

SUBJECT: 2009 Bond Referendum Project List

On behalf of the Heritage Commission, I thank you for the opportunity to comment on the Preliminary Project List for the 2009 Bond Referendum. Although no proposed project specifically involved heritage preservation, the Commission identified a number of projects that could have an impact due to their location in or near designated or potential heritage resources or districts. The Commission generally supports public reinvestment in older areas of Plano because it often encourages private reinvestment in historic properties.

At its regular meeting of December 27, 2008, the Heritage Commission voted, 6-0, to support the project list and to specifically highlight the following proposals because of their potential to positively impact the Haggard Park Heritage District, the Downtown Heritage District, and other existing or potential heritage resources:

1. Municipal Facilities Projects

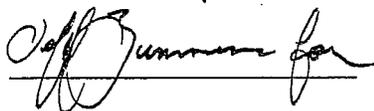
- **Harrington Library** - Named after Gladys Harrington, the City's first librarian and longtime champion of Plano's library system, this facility has been a fixture in the greater downtown area for several decades. It serves as a vital civic, cultural, and educational center for the oldest areas of Plano.
- **Plano Centre Expansion** - At the time of our meeting, a study was in progress to determine whether or not the expansion would occur at this or another site. If relocated, it should remain in proximity to DART's rail and bus facilities in eastern Plano. Since Plano Centre is a major catalyst for economic development and tourism, any expansions or upgrades that enhance Plano Centre's ability attract to conventions and other special events to eastern or central Plano will in turn increase the potential patronage of downtown establishments.

2. Park Improvement Projects – Downtown – Commissioners were excited about improvement projects in Downtown Plano because of their potential enhancement of the area's "sense of place." The renovation of McCall Plaza may provide an opportunity to create a more cohesive gathering space for downtown. Improvements should be consistent with Downtown's historic character.

3. Recreation Center Projects - Douglass Community Center – Originally a public school for Plano's African American residents, this property represents a significant period in American history, as well as Plano's. The structure is less than a block from the historic Thornton House which is undergoing restoration and will house the Plano African American Museum in 2009. It is also within four blocks of the Downtown Heritage Resource District. Reinvestment in this facility would complement ongoing public and private reinvestment in the Douglass Community. Exterior improvements should be consistent with the architectural character of the property and the surrounding neighborhood should be supported.
4. Street Improvement Projects – The Commission cited several projects that could improve vehicular and pedestrian traffic to and from Downtown Plano including:
- 14th Street Reconstruction – K to Ridgewood
 - 15th Street Reconstruction – G to US 75
 - F Ave. and 14th St. Reconstruction
 - Redevelopment Street Improvements
 - East Side Entryway Features and Landscaping - This project will improve the entry into the eastside of Plano. Any projects that enhance entry into Plano's historic areas should be encouraged.
 - Park Blvd/US 75 Pedestrian Crossing - This project may potentially affect Downtown by creating links into eastern Plano, bringing people into the northern portion of the Downtown and also creating connections to the DART station.

It is important that the design of these projects complements the character of the greater downtown area. The commission would appreciate the opportunity to provide input during the initial planning of these projects.

Please let us know if you have further questions or require additional information.



Brian Chaput, Chairperson
Heritage Commission

xc: Heritage Commission
Karen Rhodes, Budget and Research Director
Phyllis Jarrell, Planning Director
Liz Casso, Heritage Preservation Officer

MEMORANDUM

DATE: December 18, 2008

TO: Honorable Mayor and City Council

FROM: Jim Norton, 1st Vice Chair, Planning & Zoning Commission

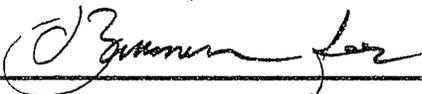
SUBJECT: Preliminary 2009 Bond Referendum Projects List

On behalf of the Planning and Zoning Commission, I thank you for the opportunity to review the Preliminary Projects List that is currently under consideration for inclusion in a proposed Bond Referendum in May of 2009. The Commission recognizes that the Community Investment Program (CIP), which is primarily funded from bonds approved by the voters, is a critical implementation tool for the Comprehensive Plan. For that reason, our evaluation of the projects list focused on comparing the projects to the strategies and policy statements of the plan.

The Planning Commission conducted its initial review on December 1, 2008, and completed its discussion on December 15, 2008. At the latter meeting, the Commission voted, 7-0, to inform you that:

The Preliminary 2009 Bond Referendum Projects List is consistent with the strategies and policy statements of the City's Comprehensive Plan.

Please let us know if you have any questions or require additional information.



Jim Norton, Vice Chair,
Planning & Zoning Commission

Is

xc: Thomas H. Muehlenbeck, City Manager
Frank F. Turner, Executive Director Development
Phyllis Jarrell, Planning Director
Alan Upchurch, City Engineer
Karen Rhodes, Budget and Research Director
Robin Reeves, Chief Park Planner
Jeff Zimmerman, Long Range Planning Manager

Memorandum

To: Karen Rhodes, Director of Budget and Research

From: Colette Hall, Recreation Superintendent
Parks and Recreation

Date: 1/2/07

Re: Senior Citizen Advisory Board Response to 2009 Bond Proposal

The Senior Citizen Advisory Board chose to have the information about the proposed items for a 2009 bond election sent to each member via e-mail. Sent were explanations of each items and cost associated. They were ask to submit back to me any questions, rank the items and provide comments.

The consensus of the Board was Public Safety as the top priority item. No items opposed by the members.

C: Don Wendell, Director of Parks and Recreation

Amy Fortenberry, Deputy Director of Parks and Recreation

Karen Rhodes

To: Christine Eubanks
Subject: RE: Bond Referendum Projects

From: bobdrotman@yahoo.com [mailto:bobdrotman@yahoo.com]
Sent: Tuesday, November 18, 2008 3:32 PM
To: Tom Muehlenbeck
Cc: Christine Eubanks
Subject: Bond Referendum Projects

I have reviewed the letter which you sent me on recommended projects for May's Bond Referendum. There are no Public Art projects within the referendum so no action is necessary on the Committee's part.

Best regards,

Bob Drotman



Pat Evans
Mayor

Jean Callison
Mayor Pro Tem

Harry LaRosiliere
Deputy Mayor Pro Tem

Pat Miner
Place 1

Scott Johnson
Place 2

Mabrie Jackson
Place 3

Sally Magnuson
Place 4

LeDunlap
Place 8

Thomas H. Muehlenbeck
City Manager

December 29, 2008

Mr. Thomas H. Muehlenbeck
City Manager
City of Plano
1520 Avenue K
Plano, TX 75074

Dear Mr. Muehlenbeck,

The Parks and Recreation Planning Board reviewed the preliminary list of projects for the 2009 City of Plano Bond Referendum at our meeting on December 2, 2008. The Board voted unanimously in support of the proposed projects.

The Board appreciates the opportunity to have input into the planning for the bond referendum.

Sincerely,

Bill Neukranz
Parks and Recreation Planning Board Chair

P.O. Box 860358
Plano, Texas 75086-0358
972-941-7000
www.plano.gov

DEC 31 2008

MEMO

TO: Thomas H. Muehlenbeck, City Manager
Frank F. Turner, Executive Director

FROM: Phyllis M. Jarrell, Director of Planning

SUBJECT: Zoning Ordinance Assessment Priorities

In August, Duncan Associates presented recommendations from its assessment of the city's Zoning Ordinance to City Council. The document included the consultant's top priorities for ordinance revisions. We have reviewed the recommendations from both the general zoning assessment and the accompanying legal framework assessment, and offer the following priorities for undertaking amendments to the ordinance. These priorities are based on the issues that staff encounters on a day-to-day basis when interpreting and enforcing the ordinance and the types of development and redevelopment projects now being proposed in the city.

General Zoning Ordinance Assessment

Reorganize and reformat the existing zoning ordinance and subdivision regulations – Duncan Associates found the city's ordinances to be in "decent" shape but did recommend reorganization and reformatting to make it easier for citizens and developers to find information. Another recommendation was to incorporate more graphics and tables rather than relying solely on text. Before major changes are made to the regulations, the new formatting scheme should be established.

Reorganize the use charts and update definitions -- The ordinance contains over 200 distinct uses. Some are defined, others are not. Definitions have also not kept up with modern terminology and technology. The consultant recommended consolidating the use charts into broader, more inclusive land use categories.

Revise or add standards related to ongoing enforcement problems – As the city's code enforcement efforts have ramped up over the years, it is important to have ordinances that are clear and easy for citizens and staff alike to interpret and enforce. Staff has been undertaking these on an as-needed basis. For example, Council will soon receive proposed ordinance amendments that address enforcement concerns related to the special vehicle (boats, RVs, etc.) storage provisions. Accessory buildings, fences and outdoor storage are other areas that need attention.

Clean up supplementary regulations – Duncan Associates referred to Article 3 of the ordinance as the city's "junk drawer". Over the years it has accumulated various regulations for uses that did not fit neatly into any other part of the ordinance, such as home occupations and helipads/heliports, and contains regulations that should be combined with other sections of the ordinance, such as special front, side and rear yard requirements.

Amend parking requirements and regulations – In general, the city requires too many parking spaces for most uses. Excess parking results in more stormwater runoff, additional costs to developers, inefficient use of land and unattractive streetscapes. Parking requirements should be reduced and standardized into broad categories, and more opportunities for shared parking between uses should be created. A reduction in parking requirements will also aid in redevelopment efforts, especially for smaller properties.

Priorities from the Legal Assessment

A separate legal assessment was provided to City Council in August. The two attorneys who reviewed Plano's zoning and subdivision ordinances looked at specific sections of the ordinance in the context of applicable federal and state land use laws.

Group Homes and Assisted Living Facilities – Plano's zoning ordinance was judged to be more liberal in its allowances for group homes and in-home assisted living facilities for the disabled than required by state law. This area of regulation is affected by federal and state law as well as fair housing laws and the Americans with Disabilities Act that offer protection to unrelated disabled individuals living as a single housekeeping unit, with or without support staff. Issues generally center on how many unrelated people can live together in single-family neighborhoods. The consultants noted one area for improvement in the regulations, which presently single out homes for recovering drug addicts and alcoholics for additional restrictions. Addiction has been generally considered a disability by the courts, and facilities for recovering addicts should generally be regulated in the same manner as those for other persons with disabilities.

Religious Institutions – The consultant found that the city's regulations for religious institutions were also in line with applicable federal law, principally the Religious Land Use and Institutionalized Persons Act. Courts often consider if and how cities regulate religious institutions from other places of public assembly. In this area, Plano's regulations are less restrictive for religious facilities than for community centers or fraternal organizations. Given the recent court case concerning the two-acre requirement in residential zoning districts for religious facilities, however, Council may wish to consider whether amendments may be necessary in this area of regulation. Staff would recommend that, at a minimum, the definition of "church" in the ordinance be broadened to better reflect the community's diversify of faiths. Individual assessments of the application of regulations to a religious institution's plans may also be needed.

Non-Conforming Uses and Structures – with the city's continued growth, staff now deals with more issues and questions concerning non-conforming uses and structures. The consultant found the regulations in the Zoning Ordinance to be fairly basic and in need of improvement. Areas noted for improvement include establishing trigger points for requiring properties to be brought into compliance, clarifying the expansion and conversion of non-conforming uses and establishing an amortization process for terminating non-conforming uses after a certain amount of time. Staff would also recommend that greater distinction be made in the ordinance between non-conforming uses and non-conforming structures.

Both of the consultant's assessment reports contained numerous recommendations in addition to the ones outlines above. Staff recommends that we begin with these first to address the most pressing zoning issues that we deal with on a day-to-day basis. The reformatting and reorganization of the ordinance will also establish the basic framework and design for subsequent amendments.

The majority of amendments will be undertaken over time by staff. Consultant assistance will be employed for selected amendments, including the reformatting and reorganization. With Council's direction, we will begin working on the various amendments.

Please let me know if you need additional information or have any questions.

XC: Diane Wetherbee, City Attorney
Paige Mims, Assistant City Attorney
Tom Elgin, Development Review Manager

Discussion/Action Items for Future Council Agendas

January 19 – MLK Holiday

January 26

Mobility Report
DART Report
Comprehensive Monthly Financial Report

February 17

February 23

ACC Report (Quarterly)
Mobility Report
DART Report
Comprehensive Monthly Financial Report

March 5 – District 1 Roundtable, Plano Centre, 7 p.m.

March 6 & 7 – Core Business Matrix Follow-up Worksession, TRA

March 9

March 23

Mobility Report
DART Report
Comprehensive Monthly Financial Report

April 14

April 27

Mobility Report
DART Report
Comprehensive Monthly Financial Report

May 11

May 18

Canvass

May 26

ACC Report (Quarterly)
Mobility Report
DART Report
Comprehensive Monthly Financial Report

June 8

June 18 – District 3 Roundtable, PSA StarCenter, 7 p.m.

June 22

Mobility Report
DART Report
Comprehensive Monthly Financial Report

September 4 – District 4 Roundtable, PSA StarCenter, 7 p.m.

December 10 – District 2 Roundtable, TMC, 7 p.m.



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Department:	City Manager's Office	Initials	Date	
Department Head	Tom Muehlenbeck	Executive Director		
Dept Signature:		City Manager	<i>[Signature]</i>	12/1/08
Agenda Coordinator (include phone #): Sharon Wright ext. 7107				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input checked="" type="checkbox"/> OTHER				
CAPTION				
Proclamation: Very Special Arts Festival - 25 th Anniversary				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(S):				
COMMENTS:				
SUMMARY OF ITEM				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING
December 22, 2008**

COUNCIL MEMBERS

Pat Evans, Mayor
Jean Callison, Mayor Pro Tem
Harry LaRosiliere, Deputy Mayor Pro Tem
Pat Miner
Scott Johnson
Mabrie Jackson
Sally Magnuson
Lee Dunlap

STAFF

Thomas H. Muehlenbeck, City Manager
Frank Turner, Executive Director
Bruce Glasscock, Executive Director
Rod Hogan, Executive Director
Diane C. Wetherbee, City Attorney
John Gilliam, First Assistant City Attorney
Diane Zucco, City Secretary

Mayor Evans called the meeting to order at 5:07 p.m., Monday, December 22, 2008, in Training Room A of the Municipal Center, 1520 K Avenue. All Council Members were present. Mayor Evans then stated that the Council would retire into Executive Session in compliance with Chapter 551, Government Code, Vernon's Texas Codes, Annotated, in order to consult with an attorney and receive Legal Advice, Section 551.071, to discuss Economic Development, Section 551.087 and to further discuss Personnel, Section 551.074 for which a certified agenda will be kept in the office of the City Secretary for a period of two years as required.

Mayor Evans reconvened the meeting back into the Preliminary Open Meeting at 6:08 p.m. in the Council Chambers where the following matters were discussed:

**Consideration and Action Resulting from Executive Session Discussion:
Personnel Reappointments/Appointments to Boards and Commissions**

Arts of Collin County Commission Board of Directors

Upon a motion made by Mayor Evans and seconded by Council Member Jackson, the Council voted 8-0 to appoint Bobby Baggett as a joint at-large director to a term expiring September 2010.

Board of Adjustment

Upon a motion made by Council Member Johnson and seconded by Council Member Dunlap, the Council voted 8-0 to appoint Edward J. Stankunas as an alternate member with an interim term expiring October 2010.

Building Standards Commission

Upon a motion made by Council Member Johnson and seconded by Council Member Dunlap, the Council voted 8-0 to appoint Arthur Stone as an alternate member with an interim term expiring October 2009 and Gary Johnston and Mo Khoshkar as alternate members with interim terms expiring October 2010.

Personnel Appointments

Tax Increment Financing Reinvestment Zone No. 1

Upon a motion made by Council Member Magnuson and seconded by Council Member Dunlap, the Council voted 8-0 to reappoint Council Member Johnson as Chair.

Tax Increment Financing Reinvestment Zone No. 2

Upon a motion made by Council Member Magnuson and seconded by Council Member Dunlap, the Council voted 8-0 to reappoint Deputy Mayor Pro Tem LaRosiliere as Chair.

Rail North Texas

Transportation Director for the North Central Texas Council of Governments Michael Morris spoke to the importance of passenger rail in the region and the need to provide options for citizens and employees; rising fuel costs and possible shortages; working towards air quality compliance standards; reducing congestion; and creating a seamless transportation system. He spoke to the federal restriction prohibiting the inclusion of projects that are not reasonably anticipated to be funded and plans for 250 miles of rail; direction from state policy officials that sales tax should not be the revenue source and the effects of 4a and 4b monies. Mr. Morris spoke to legislators utilizing sale tax as state revenue and the opinion of private industry that using sales tax puts an unfair burden on large companies. He spoke to developing an initiative to implement rail in communities without it and to maintaining an equity position for roadways and reconstruction in those that do. Mr. Morris spoke to the position that communities who have rail or do not warrant it should have the flexibility to spend funds on other transportation elements and to ensuring that monies raised in a county remain in that county.

Mr. Morris spoke to the current cost to build the entire rail system of \$4.7 billion (\$8 billion if projected to build out) translating into an annualized amount of \$390 million with \$68 million for operations and maintenance. He spoke to the process as receiving approval by the legislature to hold local county elections and going to the voters with a detailed service plan including elements and revenue sources. Mr. Morris spoke to possible revenue sources including vehicle registration fees, motor fuels tax, mileage fees, property tax, driver's license fees, new resident fees and to a cap on the rate. He reviewed the policy summary: primarily rail with supplemental roadway; built by existing transportation authorities and transportation providers; limited functional transportation funding area (TFA); county elections determined by local elected officials and citizen vote; the legislature's current stand that no sales tax will be utilized but a menu of options for citizen choice will be created; the program will create revenue districts for service areas with money staying in the county generated; accountability rests with TFA and counties; the likelihood of one uniform rate for 12 counties and supplemental county revenues (that vary by county); expiration of some revenues; decisions on projects and taxes/fees made by local elected officials; counties can opt out; transportation providers issue bonds; and projects fixes with voter approval.

Mr. Morris further advised that the program would not create a new level of government; collect money in one county to spend in another; create a "one size fits all" solution or an additional organization to plan/finance/construct projects; decide for citizens; double tax DART service areas; have construction fees forever; put the future on the roadway system only; wait on TxDOT to fund needs; delay projects resulting in higher costs; or follow the current approach of raising revenue without assurance that projects would advance.

Council Member Dunlap spoke to the concept being sent to the legislature with the endorsement of cities and counties and to local voters having a right to choose the destiny of resources and their application. Mr. Morris responded to City Manager Muehlenbeck regarding the need to address situations where cities may lie in multiple counties and the need to ensure monies are spent locally and the impact should votes fail in some counties. Council Member Johnson spoke to Plano's leadership in the region and possible credits should the county opt to construct additional rail lines. Mr. Morris spoke to the need for concurrence on the part of the RTC, developing a sub-account for Plano, and the need for equity and utilizing funds in a way that is related to transportation needs. He responded to City Manager Muehlenbeck that concerns regarding the beginning and ending points of the Cottonbelt line will be resolved as part of that initiative and to resolving issues. Mayor Evans spoke to termination at the Parker Road station. Mr. Morris spoke to technology allowing integration of different rail systems and communities to the east that may participate at a future time.

Mobility Report

Transportation Engineering Manager Neal spoke to items on the Regular Agenda addressing parking issues on Split Trail Road and reassigning Transportation Advisory Committee responsibilities to the Planning and Zoning Commission. He summarized activities of the last year including new procedures for neighborhood involvement in school drop-off and pickup issues, development of a policy to address overparking around neighborhood parks, the *Safe Streets Program* resulting in a 20% reduction in traffic speed and 10% reduction in volume, the retiming of 91 signals resulting in a 12% reduction in arterial travel times, reconstruction of intersection curbs for improved commercial area access, and signal operation modification reducing right-angle collisions. Mr. Neal spoke to sharing designs and processes with other cities, mentoring youth, development of walking/bicycle videos and to the Council advising that information regarding new left turn lane designs will be provided on the City's web site.

Remaining items were discussed during the Regular Meeting. Mayor Evans adjourned the Preliminary Meeting directly into the Regular Meeting at 7:04 p.m.

Pat Evans, MAYOR

ATTEST

Diane Zucco, City Secretary

PLANO CITY COUNCIL
December 22, 2008

COUNCIL MEMBERS

Pat Evans, Mayor
Jean Callison, Mayor Pro Tem
Harry LaRosiliere, Deputy Mayor Pro Tem
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Mabrie Jackson
Sally Magnuson
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STAFF

Thomas H. Muehlenbeck, City Manager
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Rod Hogan, Executive Director
Diane C. Wetherbee, City Attorney
John Gilliam, First Assistant City Attorney
Diane Zucco, City Secretary

Mayor Evans convened the Council directly into the Regular Session from the Preliminary Open Meeting on Monday, December 22, 2008, at 7:04 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present.

The invocation was led by Council Member Dunlap. The Pledge of Allegiance was led by Council Member Jackson.

Mayor Evans administered oaths of office to incoming board and commission members and recognized service of others.

Comprehensive Monthly Financial Report

Director of Finance Tacke advised that for the month of November, General Fund revenue was down slightly as compared to last year as were expenditures with the Water and Sewer fund unchanged in revenue and up slightly in expenditures. She spoke regarding the slight increase in unemployment to just below five percent and a small increase in sales tax revenue. Ms. Tacke advised that housing starts and the price per square foot declined, that there are not significant changes in hotel/motel taxes, and that the City's portfolio remains in a liquid position with yields higher than the benchmark.

Tax Exemption for Charitable Organizations

Director of Budget and Research Rhodes-Whitley spoke regarding House Bill 1689 passed in 2001 allowing a council to determine if a charitable organization may receive an exemption for real or personal property and a request from Masonic Lodge 768 for property located at 1414 Avenue J.

Ms. Rhodes-Whitely spoke to a previous request denied in 1999 (prior to passage of the bill) and to consideration by other Metroplex cities as well as the school district. She responded to Council Member Jackson, stating that other interested organizations would need a determination letter from the comptroller and that this is the only group eligible as identified by Collin County. The Council requested information regarding specific requirements for eligibility and Bob Parnell, representing the Masonic Lodge spoke to services provided by the organization. Council Member Jackson requested information regarding the effect on the exemption should the organization no longer conduct charitable business on the property.

Discussion and Direction regarding forwarding review of the City of Plano Sign Ordinance to the Planning and Zoning Commission with consideration of, but not limited to the following: banners; canopy, promotional, awning and monument signage; and building signage/project names.

Mayor Evans spoke to current trends in marketing and signage at shopping centers (banners; canopy, promotional, awning and monument signage; and building signage/project names) and to consideration of Plano's regulations to offer retailers venues similar to those in other areas. Mayor Pro Tem Callison spoke regarding prior service on the Banner Sign Committee and being retailer-friendly. The Council concurred to forward review of the sign ordinance to the Commission.

Council items for discussion/action on future agendas

Council Member Jackson requested an agenda item to discuss concerns/issues related to unsolicited newspaper delivery.

Consent and Regular Agenda

City Secretary Zucco advised that Council Member Dunlap requested Consent Agenda Items "D," Bid No. 2009-21-B for the Independence Parkway Paving Improvements – McDermott Road to State Highway 121 to Tiseo Paving Company in the amount of \$1,199,513; and "K," Approval of a Change Order to Jim Bowman Construction Co., L.P., increasing the contract by \$72,993 for Intersection Improvements 2004 be removed for individual consideration due to possible conflicts of interest.

City Secretary Zucco advised that Council Member Jackson requested Consent Agenda Item "H," purchase from an existing contract in the amount of \$883,302 with Software House International (SHI) for a Microsoft Enterprise Agreement renewal and true-up be removed for individual consideration due to a possible conflict of interest.

City Secretary Zucco advised that Staff has requested that Consent Agenda Items "L," Modification to an Existing Contract by and between the City and HD Supply Waterworks, LTD to allow the purchase of additional parts and services and to increase the original; "M," an ordinance to transfer the sum of \$1,715,906 from the Water & Sewer Fund Unappropriated Fund Balance to the Water & Sewer Fund Appropriation for Fiscal Year 2008-09 for the purpose of providing additional funding for increased costs associated with the Fixed Network Meter Project; and "T," a resolution to approve the terms and conditions of an Amendment to Development Agreement between the City of Plano, Texas and Pinnacle AMS Development Company, LLC for development of Eastside Station be removed for individual consideration.

CONSENT AGENDA

Upon a motion made by Council Member Miner and seconded by Council Member Dunlap, the Council voted 8-0 to approve and adopt all remaining items as recommended and as follows:

Approval of Minutes [Consent Agenda Item (A)]

December 8, 2008

Approval of Expenditures

Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)

Bid No. 2008-229-C for Top Soil and Sand for Compost Blends. Line Item 1 (Top Soil) to Earth Haulers, Inc. in the estimated amount of \$44,000 and Line Item 2 (Sand) to David Copeland Sand & Gravel, Inc. in the estimated amount of \$75,000 for a total estimated contract amount of \$119,000. The term of this contract is for one year with three City optional one year renewals. [Consent Agenda Item (B)] (See Exhibit "A")

CSP No. 2008-183-B for Class IV Armored Response Vehicle in an amount not to exceed \$152,350 to Lenco Armored Vehicles. This vehicle is purchased under the terms of the 2007 LETPP (Homeland Security) Grant. [Consent Agenda Item (C)] (See Exhibit "B")

Bid No. 2009-26-B for the Mapleshade Lift Station to Crescent Constructors, Inc., in the amount of \$2,375,029. This project consists of the construction of a 7.5 million gallon a day lift station south of Mapleshade Lane between Coit Road and Ohio Drive. [Consent Agenda Item (E)] (See Exhibit "C")

Purchase from an Existing Contract

To approve the purchase of GIS Maintenance Expenses as designated in the amount of \$57,222 from ESRI through a State of Texas Department of Information Resources (DIR) contract, and authorizing the City Manager to execute all necessary documents. (DIR-SDD-492) [Consent Agenda Item (F)]

To approve an expenditure for a Service Agreement between Motorola and the City of Plano in the amount of \$171,710 through an existing contract with the Department of Information Resources, and authorizing the City Manager to execute all necessary documents. (DIR-SDD-477) [Consent Agenda Item (G)]

Approval of Change Order

To McMahon Contracting, L.P., increasing the contract by \$159,982 for the 2007-2008 Arterial Concrete Pavement Rehabilitation Project, Parker Road, Pleasant Valley and Country Place Drive, Project No. 5867, Change Order No. 1, Bid No. 2008-156-B.

This is for additional concrete street pavement repairs on Parker Road between Coit Road and Preston Road. [Consent Agenda Item (I)]

To Birkhoff, Hendricks & Conway, L.L.P., increasing the Professional Services contract by \$44,500 for the Jupiter Road Elevated Tank Repair. Contract Modification No. 1 is for additional engineering and inspection services. [Consent Agenda Item (J)]

Adoption of Ordinances

Ordinance No. 2008-12-14: To amend Article V, Chapter 12, Motor Vehicles and Traffic of the Code of Ordinances of the City of Plano by adding Section 12-114.1, to Article V, Chapter 12, Motor Vehicles and Traffic of the Code of Ordinances of the City of Plano to prohibit stopping, standing, or parking of a vehicle with a gross vehicle weight rating of 10,000 pounds or more on Split Trail Road, along both sides from its intersection with East Spring Creek Parkway south to its intersection with K Avenue, and Wedgewood Drive, along both sides from its intersection with Dallas Parkway west to its intersection with Communications Parkway, within the city limits of the City of Plano; providing a repealing clause; a severability clause; a savings clause; a penalty clause; a publication clause; and an effective date. [Consent Agenda Item (N)]

Ordinance No. 2008-12-15: To adopt and enact Supplement Number 84 to the Code of Ordinances for the City of Plano; providing for amendment to certain sections of the Code; and providing an effective date. [Consent Agenda Item (O)]

Adoption of Resolutions

Resolution No. 2008-12-16(R): To approve and authorize the refunds of property tax overpayments; and providing an effective date. [Consent Agenda Item (P)]

Resolution No. 2008-12-17(R): To repeal Resolution No. 2008-5-26(R) and approve the terms and conditions of an Agreement by and between the City of Plano, Texas, and The Shops at Legacy (North) LLC, a Texas limited liability company, providing for a Real Property Improvement Tax Abatement, and authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (Q)]

Resolution No. 2008-12-18(R): To authorize the investment of public funds in the TexasTERM or TexasDAILY public funds reinvestment pool; designating City representatives to transmit funds for investment in the pool; and providing an effective date. [Consent Agenda Item (R)]

Resolution No. 2008-12-19(R): To approve and adopt the amended and restated City of Plano Supplemental Savings Plan; authorizing its execution by the City Manager; delegating to the City Manager the authority to adopt future plan amendments where such amendments do not materially increase the cost of the plan to the City; and providing an effective date. [Consent Agenda Item (S)]

Resolution No. 2008-12-20(R): To approve the terms and conditions of an Assignment of Development Agreement by and between Pinnacle AMS Development Company, LLC, Southern/Pinnacle AMS Development Company, LLC and the City of Plano, Texas for development of Eastside Station – Plano; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (U)]

Resolution No. 2008-12-21(R): To approve a Licensing Agreement by and between the City of Plano and the North Central Texas Council of Governments; providing terms and conditions for the purchase of digital aerial photography in the amount of \$8,651; authorizing execution of the License Agreement by the City Manager; and providing an effective date. [Consent Agenda Item (V)]

Resolution No. 2008-12-22(R): To repeal Resolution 2005-10-24(R); adopting new criteria and procedures for the Safe Streets Program (SSP), to provide for the Planning & Zoning Commission to assume the responsibilities of the Transportation Advisory Committee. [Consent Agenda Item (W)]

END OF CONSENT

COMMENTS OF PUBLIC INTEREST

No one appeared to speak.

ITEMS FOR INDIVIDUAL CONSIDERATION

Due to possible conflicts of interest, Council Member Dunlap stepped down from the bench on the following two items which were considered concurrently.

Bid No. 2009-21-B for the Independence Parkway Paving Improvements – McDermott Road to State Highway 121 to Tiseo Paving Company in the amount of \$1,199,513 for the Alternate 2 Bid for low nitrous oxide dry kiln cement. The project consists of widening Independence Parkway from 4 lanes to 6 lanes from McDermott Road to State Highway 121. [Consent Agenda Item (D)]

Approval of a Change Order: To Jim Bowman Construction Co., L.P., increasing the contract by \$72,993 for Intersection Improvements 2004, Change Order No. 1. This includes work on all three project locations: Spring Creek Parkway at Lookout Trail, Commerce Drive at Plano Parkway and West Park Boulevard at Ohio Drive. This is for additional work related to replacement of deteriorated paving adjacent to the project areas, also included are additional barrier free ramps and sidewalk replacement determined to be necessary to satisfy handicapped requirements. [Consent Agenda Item (K)]

Upon a motion made by Deputy Mayor Pro Tem LaRosiliere and seconded by Council Member Magnuson, the Council voted 7-0 to approve Bid No. 2009-21-B for the Independence Parkway Paving Improvements – McDermott Road to State Highway 121 to Tiseo Paving Company in the amount of \$1,199,513 for the Alternate 2 Bid for low nitrous oxide dry kiln cement; and approve a change order to Jim Bowman Construction Co., L.P., increasing the contract by \$72,993 for Intersection Improvements 2004, Change Order No. 1.

Council Member Dunlap resumed his seat at the bench.

Due to a possible conflict of interest, Council Member Jackson stepped down from the bench on the following item.

Purchase from an Existing Contract: To authorize an expenditure in the amount of \$883,302 with Software House International (SHI) for a Microsoft Enterprise Agreement renewal and true-up for our server and desktop licenses through a Department of Information Resources (DIR) Contract, and authorizing the City Manager to execute all necessary documents. (SHI DIR Contract No. DIR-SDD-198) [Consent Agenda Item (H)]

Upon a motion made by Deputy Mayor Pro Tem LaRosiliere and seconded by Council Member Dunlap, the Council voted 7-0 to authorize an expenditure in the amount of \$883,302 with Software House International (SHI) for a Microsoft Enterprise Agreement renewal and true-up for our server and desktop licenses through a Department of Information Resources (DIR) Contract.

Council Member Jackson resumed her place at the bench.

Modification to an Existing Contract: To approve the terms and conditions of a third modification to an existing contract by and between HD Supply Waterworks, LTD and the City of Plano executed on March 25, 2008 to allow the purchase of additional parts and services and to increase the original contract amount by up to \$700,000 or 3.74% for these purchases; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (L)]

Director of Customer and Utility Services Israelson spoke regarding the initial contract for \$18.7 million to provide an updated water meter system utilizing the Moto Mesh network and modifications including addition of confidentiality language, implementation of a five-year timeframe rather than eight years, utilizing a contractor and the current request to include additional costs for meter access and contractors fees.

Upon a motion made by Council Member Magnuson and seconded by Mayor Pro Tem Callison, the Council voted 8-0 to approve the terms and conditions of a third modification to an existing contract by and between HD Supply Waterworks, LTD and the City of Plano executed on March 25, 2008 to allow the purchase of additional parts and services and to increase the original contract amount by up to \$700,000 or 3.74% for these purchases.

Ordinance No. 2008-12-23: To transfer the sum of \$1,715,906 from the Water & Sewer Fund Unappropriated Fund Balance to the Water & Sewer Fund Appropriation for Fiscal Year 2008-09 for the purpose of providing additional funding for increased costs associated with the Fixed Network Meter Project; amending the budget of the City and Ordinance 2008-9-15, Section 1, Item "L" to reflect the actions taken herein; declaring this action to be a case of public necessity; and providing an effective date. [Consent Agenda Item (M)]

Director of Customer and Utility Services Israelson spoke to the funding needed to cover the costs of contract modifications.

Upon a motion made by Council Member Jackson and seconded by Council Member Magnuson, the Council voted 8-0 to transfer the sum of \$1,715,906 from the Water & Sewer Fund Unappropriated Fund Balance to the Water & Sewer Fund Appropriation for Fiscal Year 2008-09 for the purpose of providing additional funding for increased costs associated with the Fixed Network Meter Project; amending the budget of the City and Ordinance 2008-9-15, Section 1, Item "L" to reflect the actions taken herein; declaring this action to be a case of public necessity; and providing an effective date; and further to adopt Ordinance No. 2008-12-23.

Resolution No. 2008-12-24(R): To approve the terms and conditions of an Amendment to Development Agreement between the City of Plano, Texas and Pinnacle AMS Development Company, LLC for development of Eastside Station – Plano; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (T)]

Executive Director Turner spoke to the request amending the terms of an agreement and extending the dates for performance and to the transfer of the project to a new corporate entity. Tim Downey of Southern Land Company spoke to moving forward with the project.

Upon a motion made by Council Member Magnuson and seconded by Council Member Dunlap, the Council voted 8-0 to approve the terms and conditions of an Amendment to Development Agreement between the City of Plano, Texas and Pinnacle AMS Development Company, LLC for development of Eastside Station – Plano; authorizing its execution by the City Manager; and providing an effective date and further to adopt Resolution No. 2008-12-24(R) with revisions.

Resolution No. 2008-12-25(R): To approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and Raising Cane's USA LLC, a Louisiana limited liability company; authorizing its execution by the City Manager; and providing an effective date. [Regular Agenda Item (1)]

Director of Finance Tacke spoke to the company relocating from Baton Rouge, Louisiana, occupying not less than 24,813 square feet of office space by January 2009, employment of 48 by April 30, 2009 and a median annual salary of \$58,500. She advised that the term runs from January 31, 2009 to July 31, 2013 and the 380 Grant is in the amount of \$42,400.

Upon a motion made by Council Member Jackson and seconded by Council Member Miner, the Council voted 8-0 to approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and Raising Cane's USA LLC, a Louisiana limited liability company; authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2008-12-25(R).

Resolution No. 2008-12-26(R): To approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and RomaCorp, Inc., (dba Tony Roma's), a Delaware corporation; authorizing its execution by the City Manager; and providing an effective date. [Regular Agenda Item (2)]

Director of Finance Tacke spoke to the company relocating from Dallas, occupying no less than 6,700 square feet with an employment of 15 and a median annual salary of \$105,000. She advised that the term runs from October 31, 2008 to March 1, 2012 and that the company will maintain business and personal property of not less than \$80,000 for a 380 Grant of \$15,000 and spoke regarding additional incentives for management level additions.

Upon a motion made by Council Member Miner and seconded by Council Member Johnson, the Council voted 8-0 to approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and RomaCorp, Inc., (dba Tony Roma's), a Delaware corporation; authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2008-12-26(R).

Resolution No. 2008-12-27(R): To approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and MarketNet, Inc., a Texas corporation; authorizing its execution by the City Manager; and providing an effective date. [Regular Agenda Item (3)]

Director of Finance Tacke spoke to the company relocating from Dallas, occupying no less than 10,000 square feet with an employment of 31 jobs and a median annual salary of \$75,000. She advised that the term runs from December 31, 2008 to December 30, 2013 and the company maintaining business personal property of not less than \$150,000 for a 380 Grant of \$15,500.

Upon a motion made by Deputy Mayor Pro Tem LaRosiliere and seconded by Council Member Jackson, the Council voted 8-0 to approve the terms and conditions of an Economic Development Incentive Agreement by and between the City of Plano, Texas and MarketNet, Inc., a Texas corporation; authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2008-12-27(R).

There being no further discussion, Mayor Evans adjourned the meeting at 7:50 p.m.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, City Secretary



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Date: 12/22/08		Reviewed by Legal	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Department:	Purchasing	Initials	Date		
Department Head	Mike Ryan	Executive Director			
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	<i>12/15/08</i>	
Agenda Coordinator (include phone #):		Sharron Mason, Ext. 7247			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER					
CAPTION					
Award/Rejection of Bid/Proposal for Bid No. 2008-229-C for Top Soil and Sand for Compost Blends Line Item 1 to Earth Haulers, Inc. in the estimated amount of \$44,000.00 and Line Item 2 to David Copeland Sand & Gravel, Inc. in the amount of \$75,000.00 for a total estimated contract amount of \$119,000.00.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2008-09; 2009-10; 2010-11; 2011-12	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	0	0	
Encumbered/Expended Amount		0	0	0	
This Item		0	0	0	
BALANCE		0	0	0	0
FUND(S): SUSTAINABILITY AND ENVIRONMENTAL WASTE					
COMMENTS: This item approves price quotes. Expenditures will be made by Compost Operations within the approved budget appropriations. The estimated annual amount is \$119,000. STRATEGIC PLAN GOAL: Providing Compost Blends that relate to the City's Goals of "Service Excellence" and creating a Diverse Business Center.					
SUMMARY OF ITEM					
ANNUAL CONTRACT WITH RENEWALS					
It is the recommendation of the Evaluation Selection Committee to award the Top Soil and Sand for Compost Blends as follows: Line Item 1 to Earth Haulers, Inc. in the estimated amount of \$44,000.00 and Line Item 2 to David Copeland Sand & Gravel, Inc. in the estimated amount of \$75,000.00. The estimated annual amount of \$119,000.00. The term of this contract is for one (1) year with three (3) City optional one (1) renewals.					
List of Supporting Documents: Memorandum and Proposal Recap		Other Departments, Boards, Commissions or Agencies			



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Date: 12/22/08		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Department:	Purchasing		Initials	Date	
Department Head	Mike Ryan	Executive Director			
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	12/15/08	
Agenda Coordinator (include phone #): Glenna Hayes x 7539					
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER EXISTING CONTRACT					
CAPTION					
Award/Rejection of Competitive Sealed Proposal No 2008-183-B for CLASS IV ARMORED RESPONSE VEHICLE in the not to exceeds amount of \$152,350.00 and authorizing the City Manager or his designee to execute all necessary documents.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2008-2009	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0		0	
Encumbered/Expended Amount		0	0	0	0
This Item		0	152,350	0	152,350
BALANCE		0	152,350	0	152,350
FUND(s): Grant Fund 13-559 , 2007 LETPP Grant					
Comments: Funds are available from the 2007 LETTP Grant for the purchase of this armored response vehicle for the Plano Police Department.					
STRAGIC PLAN GOAL: Purchasing an armored vehicle related to the City's Goal of "Service Excellence"					
SUMMARY OF ITEM					
Staff recommends the competitive sealed proposal of Lenco Armored Vehicles, in the not to exceed amount of \$152,350.00 be accepted as the best value, and conditioned upon timely execution of any necessary contract documents for the purchase of a class IV armored response vehicle. This vehicle is purchased under the terms of the 2007 LETPP (Homeland Security) Grant - 2008-183-B					
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies			
Memo; Bid Tab;					



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 12/22/08		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Department:	Engineering		Initials	Date	
Department Head	Alan L. Upchurch		Executive Director	<i>[Signature]</i> 12-12-08	
Dept Signature:	<i>[Signature]</i>		City Manager	<i>[Signature]</i> 12/12/08	
Agenda Coordinator (include phone #)		Irene Pegues (7198)	Project No. 5788		
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT					
<input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER					
CAPTION					
(Award/Rejection) of Bid for Bid No. 2009-21-B for the Independence Parkway Paving Improvements - McDermott Road to SH 121 to Tiseo Paving Company in the amount of \$1,199,512.50 for the Alternate 2 Bid for low nitrous oxide dry kiln cement.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input checked="" type="checkbox"/> CIP					
FISCAL YEAR: 2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS	
Budget	49,419	1,564,419	0	1,613,838	
Encumbered/Expended Amount	-49,419	-15,937	0	-65,356	
This Item	0	-1,199,513	0	-1,199,513	
BALANCE	0	348,969	0	348,969	
FUND(S): STREET IMPROVEMENT CIP					
COMMENTS: Funds are included in the 2008-09 Street Improvement CIP. This item, in the amount of \$1,199,513, will leave a current year balance of \$348,969 for the Independence - McDermott to SH 121 project.					
STRATEGIC PLAN GOAL: Street widening relates to the City's Goal of Safe, Efficient Travel.					
SUMMARY OF ITEM					
Staff recommends the Alternate 2 bid (low nitrous oxide dry kiln cement) of Tiseo Paving Company in the amount of \$1,199,512.50, be accepted as lowest responsible bid conditioned upon timely execution of any necessary contract documents. Alternate No. 2 (low nitrous oxide dry kiln cement) was less than 5% over the low base bid price at \$1,199,194.00 of Jim Bowman Construction Co. L.P.					
The second vendor being recommended is Jim Bowman Construction Co. L.P., in the amount of \$1,230,285.25 for their Alternate 2 Bid (low nitrous oxide dry kiln cement).					
Engineer's estimate was \$1,500,000.00.					
The project consists of widening of Independence Parkway from 4 lanes to 6 lanes from McDermott Road to SH 121.					
List of Supporting Documents: Bid Summary Location Map		Other Departments, Boards, Commissions or Agencies N/A			



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Date:	12/22/08	Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Department:	Engineering	Initials	Date		
Department Head	Alan L. Upchurch	Executive Director			
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	<i>12/16/08</i>	
Agenda Coordinator (include phone #):		Project No. 5814			
Irene Pegues (7198) <i>[Signature]</i>					
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER					
CAPTION					
Award of Bid for Bid No. 2009-26-B for the Mapleshade Lift Station to Crescent Constructors, Inc., in the amount of \$2,375,029.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input checked="" type="checkbox"/> CIP					
FISCAL YEAR:	2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		165,624	3,534,376	500,000	4,200,000
Encumbered/Expended Amount		-165,624	-124,221	0	-289,845
This Item		0	-2,375,029	0	-2,375,029
BALANCE		0	1,035,126	500,000	1,535,126
FUND(S): SEWER CIP					
COMMENTS: Funds are included in the 2008-09 Sewer CIP. This item, in the amount of \$2,375,029, will leave a current year balance of \$1,035,126 for the Mapleshade Station & Gravity Line project. STRATEGIC PLAN GOAL: Lift station construction relates to the City's Goals of Livable and Sustainable Community.					
SUMMARY OF ITEM					
Staff recommends the Alternate 2 bid (low nitrous oxide dry kiln cement) of Crescent Constructors, Inc., in the amount of \$2,375,029.00, be accepted as lowest responsible bid conditioned upon timely execution of any necessary contract documents. Alternate No. 2 (low nitrous oxide dry kiln cement) was less than 5% over the low base bid price at \$2,357,000.00. The second vendor being recommended is Red River Construction Co., in the amount of \$2,446,950.00, for their Alternate 2 Bid (low nitrous oxide dry kiln cement). Engineer's estimate was \$2,300,000.00. The project consists of the construction of a 7.5 million gallon a day lift station south of Mapleshade Lane between Coit Road and Ohio Drive.					
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies			
Bid Summary		N/A			
Location Map					

*A-15
e-t*



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/09		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Department:	Fleet & Equipment Services Division		Initials	Date	
Department Head	Mike Ryan	Executive Director			
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	<i>[Signature]</i>	
Agenda Coordinator (include phone #):		Nancy Corwin x7137			

ACTION REQUESTED: ORDINANCE RESOLUTION CHANGE ORDER AGREEMENT
 APPROVAL OF BID AWARD OF CONTRACT OTHER

CAPTION

Award/Rejection of Bid/Proposal for Bid No 2009-13-B for the purchase of two (2) Tractor Trucks from Rush Truck Center DFW in the amount of \$191,970.00.

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 08/09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	208,000	0	208,000
Encumbered/Expended Amount	0	0	0	0
This Item	0	-191,970	0	-191,970
BALANCE	0	16,030	0	16,030

FUND(s): EQUIPMENT REPLACEMENT FUND (071)

COMMENTS: FUNDS ARE INCLUDED IN THE FY2008-09 ADOPTED BUDGET FOR THE PURCHASE OF TWO (2) TRACTOR/TRUCKS. THE REMAINING BALANCE OF FUNDS WILL BE USED FOR OTHER EQUIPMENT AND ROLLING STOCK PURCHASES.

STRATEGIC PLAN GOAL: Replacement equipment purchases relates to the City's Goal of "Service Excellence".

SUMMARY OF ITEM

Staff recommends the bid of Rush Truck Center DFW in the amount of \$191,970.00 be accepted as the lowest responsive responsible bid meeting specifications conditioned upon timely execution of any necessary contract documents for the purchase of two (2) Tractor Trucks.

List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Memo, Bid Recap	

From: Reid Choate
Sent: Thursday, December 18, 2008 7:16 AM
To: Nancy Corwin; Steve Tillman
Cc: David Garza; Sherrian Jones; Shaun Worley; Reid Choate
Subject: Tractor Truck Purchase Recommendation

Fleet and Equipment Services Division have completed the Bid Evaluation for Bid # 2009-13-B "Tractor Trucks Trucks". It is our recommendation to award this bid to Rush Truck Center, the lowest responsive, responsible bidder meeting specifications in the amount of \$191,970.00. The apparent low bidder, Dallas Freightliner did not meet the engine specifications. Specifications called for a Cummins engine. Dallas Freightliner bid a Mercedes engine and an alternate for a Detroit engine. The City currently has more than 50 units in service with Cummins engines. We currently have diagnostic software for Cummins engines and our technicians are trained on the diagnostics and repair of Cummins engines. For this reason we are standardizing on the Cummins engine for all heavy duty trucks in the fleet. These units are for the following:

Dept. 714 – New addition - carry over from FY07-08 – Budget Amount - \$98,000.00 -
Acct. # 714-8421, Supplement # 714001

Dept. 714 – Replacement of unit # 01800 – Budget Amount - \$110,000.00 – Account
#071-8421

Total Budget - \$ 208,000.00

Attached are the Financial Worksheet and Tabulation Packet for this bid.

Let me know if you have any questions.

Thanks,

Reid Choate
Fleet and Equipment Services
City of Plano
Office: 972-769-4182
Fax: 972-461-9349
E-Mail: reidc@plano.gov

CITY OF PLANO

BID NO. 2009-13-B TRACTOR TRUCKS

BID RECAP

Bid opening Date/Time: November 26, 2008 @ 3:00pm

Number of Vendors Notified: 1477

Vendors Submitting "No Bids": 8

Number of Bids Submitted: 7

DALLAS FREIGHTLINER WESTERN STAR
DALLAS FREIGHTLINER WESTERN STAR
RUSH TRUCK CENTER
SOUTHWEST INTERNATIONAL TRUCKS INC.
HALL VOLVO GMC
SOUTHWEST INTERNATIONAL TRUCKS INC
BUCKNER'S

Bids Evaluated Non-Responsive to Specification: 2

Recommended Vendor(s):

Rush Truck Center (\$191,970.00)

Nancy Corwin

December 24, 2008

Nancy Corwin, Buyer

Date



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/09		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Department:	Fleet & Equipment Services			Initials	Date
Department Head	Reid Choate	Executive Director	<i>RA</i>	1-5-09	
Dept Signature:	<i>[Signature]</i>			<i>[Signature]</i>	1/5/09
Agenda Coordinator (include phone #):		Linda M. Robinson x4180			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input checked="" type="checkbox"/> OTHER PURCHASE OFF EXISTING CONTRACT					
CAPTION					
Approval of the purchase of three (3) Toyota Corollas (K01) in the amount of \$50,391.15 from Philpott Motor Company through an existing contract/agreement with H-GAC Cooperative Purchase Program, and authorizing the City Manager or his designee to execute all necessary documents. (#VE03-06)					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	08/09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	69,000	0	69,000
Encumbered/Expended Amount		0	0	0	0
This Item		0	-50,391	0	-50,391
BALANCE		0	18,609	0	18,609
FUND(S): EQUIPMENT REPLACEMENT FUND (071)					
COMMENTS: Funds are included in the FY 2008-09 adopted budget for the purchase of three (3) Toyota Corolla vehicles. The remaining balance of funds will be used for other equipment and rolling stock purchases. STRATEGIC PLAN GOAL: Replacement equipment purchases relates to the City's Goal of "Service Excellence".					
SUMMARY OF ITEM					
Equipment Services request the purchase of three (3) Toyota Corollas through the H-GAC Cooperative Purchase Program, awarded to Philpott Motor Company. These are schedule replacements for units #00264, 22016 and 22017 from ERF Account 071-8421 for Dept. 532/Police Department and approved per fiscal year 08-09 budget. The City is authorized to purchase from a Local Cooperative Organization pursuant to Chapter 271, Subchapter F of the Texas Local Govt. Code and by doing so satisfies any State law requiring local governments to seek competitive bids for items. (#VE03-06) Total purchase price for including delivery fee is \$50,391.15.					
List of Supporting Documents: Memo, Agenda, Quote Sheet, CRO			Other Departments, Boards, Commissions or Agencies		



MEMORANDUM

DATE: December 29, 2008
TO: Nancy Corwin, Buyer
FROM: David Garza, Fleet Superintendent
SUBJECT: Request to purchase three (3) Toyota Corollas through the H-GAC Cooperative Purchase Program, Contract #VE03-06 awarded to Philpott Motor Company.

Base Price:	\$13,835.00 x 3 =	\$41,505.00
Published Options:	\$ 1,900.00 x 3 =	\$ 5,700.00
Unpublished Options:	\$ 412.05 x 3 =	\$ 1,236.15
Delivery Charges:	<u>\$ 450.00 x 3 =</u>	<u>\$ 1,350.00</u>
H-GAC Fee:		<u>\$ 600.00</u>
TOTAL COST:	\$16,597.05 x 3 =	\$50,391.15

BUDGET AMOUNT: **\$69,000.00**

NOTES: These are scheduled replacements for units #00264, #22016 and #22017 from ERF Account 071-8421, for Dept. 532/Police Department, approved per fiscal year budget 08/09.

Please reference CRO No. 374462.

Please feel free to call me if you have any questions at extension 4183.

Cc: Reid Choate
Glen Brashear
Marty Childers
Mike Letzelter
Barbara Smith
Pam Haines
Diane Palmer



CONTRACT PRICING WORKSHEET
For Standard Equipment Purchases

Contract No.:

VE03-06

Date Prepared:

12/22/08

This Form must be prepared by Contractor and given to End User. The H-GAC administrative fee shall be shown in Section F. End User issues PO to Contractor, and MUST also fax a copy of PO, together with completed Pricing Worksheet, to H-GAC @ 713-993-4548. Please type or print legibly.

Buying Agency:	CITY OF PLANO	Contractor:	PHILPOTT MOTORS
Contact Person:	DAVID GARZA	Prepared By:	RICHARD HYDER
Phone:	(972) 769-4183	Phone:	(888) 973-5338
Fax:	(972) 461-6840	Fax:	(409) 724-0934
Email:	DAVIDGA@PLANO.GOV	Email:	RICHARD.HYDER@PHILPOTTMOTORS.COM
Product Code:	K01	Description:	2009 TOYOTA COROLLA (WITH LE UPGRADE)

A. Product Item Base Unit Price Per Contractor's H-GAC Contract: \$ 13,835.00

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
		COLORS:	
		1 SUPER WHITE/ASH	\$ -
1.8L 4 CYL DOHC	\$ -	1 CLASSIC SILVER/ASH	\$ -
4-SPEED AUTOMATIC TRANSMISSION	\$ -	1 DESERT SAND MICA/BISQUE	\$ -
15" STEEL WHEELS W/ FULL WHEEL COVERS	\$ -		
AB ANTILOCK BRAKE SYSTEM/TMPS	\$ 390.00		
BE DRIVER/PASSENGER SIDE/CURTAIN AIRBAGS	\$ 655.00		
AIR CONDITIONING	\$ -		
AMFM CD WITH MP3	\$ -		
M5 5-PIECE FLOOR MATS	\$ 155.00		
UD/LE UPGRADE POWER GROUP	\$ 700.00		
		Subtotal From Additional Sheet(s):	\$ -
		Subtotal B:	\$ 1,900.00

C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
PDI CHARGE	\$ 80.00		
FLOOR PLAN INTEREST	\$ 290.54		
LOT INSURANCE	\$ 41.51		
		Subtotal From Additional Sheet(s):	\$ -
		Subtotal C:	\$ 412.05

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: 3%

D. Other Cost Items Not Itemized Above (e.g. Installation, Freight, Delivery, Etc.)

Description	Cost	Description	Cost
DELIVERY 300 MILES	\$ 450.00		
		Subtotal D:	\$ 450.00

E. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C+D) \$ 16,597.05

Quantity Ordered: 3 **X Subtotal of A + B + C + D:** \$ 16,597.05 = **Subtotal E:** \$ 49,791.15

F. H-GAC Fee Calculation (From Current Fee Tables) **Subtotal F:** \$ 600.00

G. Trade-Ins / Other Allowances / Special Discounts

Description	Cost	Description	Cost
		Subtotal G:	\$ -

Estimated Delivery Date: 60-75 DAYS ARO **H. Total Purchase Price (E+F+G):** \$ 50,391.15

CITY OF PLANO

12/22/08

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P.O. Number 374462 OC

Cost Center 071

Supplier PHILPOTT MOTORS INC
1400 U S HGHWY 69
NEDERLAND TX 77627

Ship To CITY OF PLANO
FLEET & EQUIPMENT SERVICES DIVISION
4200 W PLANO PARKWAY
PLANO TX 75093

To ensure proper payment, remit invoice to:
City of Plano - Accounts Payable
PO Box 860279
Plano, TX 75086-0279

Ordered 12/17/08 Freight
Requested 12/17/08 Order Taken By
Delivery

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
TOYOTA COROLLAS	3	EA	13,835.0000	41,505.00	12/17/08
CONTRACT #VE03-06 REQUEST TO PURCHASE THREE (3) TOYOTA COROLLAS THROUGH THE H-GAC COOPERATIVE PURCHASE PROGRAM, CONTRACT #VE03-06. AWARDED TO PHILPOTT MOTORS INC. NOTE: THESE ARE SCHEDULED REPLACEMENTS FOR UNITS 00264, 22016 AND 22017 FROM ERF ACCOUNT 071.8421, FOR DEPT. 532/ POLICE DEPARTMENT. APPROVED PER FY BUDGET 08/09. BUDGETED AMOUNT \$69,000.00. CRO REQUESTED BY DAVID GARZA.					
PUBLISHED OPTIONS	3	EA	390.0000	1,170.00	12/17/08
AB ANTILOCK BRAKE SYSEM/TMPS					
PUBLISHED OPTIONS	3	EA	655.0000	1,965.00	12/17/08

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CITY OF PLANO

12/22/08

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P.O. Number 374462 OC
 Extended Price Request Date

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
BE DRIVER/PASS. SIDE AIR BAGS BE DRIVER/PASSENGER SIDE/ CURTAIN AIR BAGS.					
PUBLISHED OPTIONS M5 5 PIECE FLOOR MATS	3	EA	155.0000	465.00	12/17/08
PUBLISHED OPTIONS UD/LE UPGRADE POWER GROUP PUBLISHED OPTIONS AT NO COST: 1.8L 4 CYL DOHC. 4-SPEED AUTOMATIC TRANSMISSION. 15" STEEL WHEELS W/FULL WHEEL COVERS. AIR CONDITIONING. AMFM CD WITH MP3. COLORS: 1 - SUPER WHITE/ASH 1 - CLASSIC SILVER/ASH 1 - DESERT SAND MICA/BISQUE	3	EA	700.0000	2,100.00	12/17/08
UNPUBLISHED OPTIONS PDI CHARGE	3	EA	80.0000	240.00	12/17/08
DELIVERY CHARGES	3	EA	450.0000	1,350.00	12/17/08
H-GAC ADMINISTRATION FEE		EA	600.0000	600.00	12/17/08
UNPUBLISHED OPTIONS FLOOR PLAN INTEREST	3	EA	290.5400	871.62	12/17/08
UNPUBLISHED OPTIONS LOT INSURANCE	3	EA	41.5100	124.53	12/17/08

Total Order

TermNet 30 Days

50,391.15

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**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/09		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
Department:	Fleet & Equipment Services		Initials	Date	
Department Head	Reid Choate	Executive Director	<i>[Signature]</i>	1-5-09	
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	1/5/09	
Agenda Coordinator (include phone #):		Linda M. Robinson x4180			

ACTION REQUESTED:

ORDINANCE RESOLUTION CHANGE ORDER AGREEMENT
 APPROVAL OF BID AWARD OF CONTRACT OTHER PURCHASE OFF EXISTING CONTRACT

CAPTION

Approval of the purchase of two (2) Toro Multi Pro (1250) Chemical Sprayers in the amount of \$54,463.94 from Professional Turf Products through an existing contract/agreement with Texas Association School Buyboard Purchase Program, and authorizing the City Manager or his designee to execute all necessary documents. (#292-08)

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 08/09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	52,000	0	52,000
Encumbered/Expended Amount	0	0	0	0
This Item	0	-54,464	0	-54,464
BALANCE	0	-2,464	0	-2,464

FUND(S): EQUIPMENT REPLACEMENT FUND (071)

COMMENTS: Funds are included in the FY 2008-09 adopted budget for the purchase of Two (2) Toro Multi Pro (1250) Chemical Sprayers. The additional funds of (\$2,464) needed for the purchase of this equipment will be funded through savings in the Equipment Replacement Fund.

STRATEGIC PLAN GOAL: Replacement equipment purchases relates to the City's Goal of "Service Excellence".

SUMMARY OF ITEM

Equipment Services request the purchase of two (2) Toro Multi Pro (1250) Chemical Sprayers through the Texas Association School Buyboard Purchase Program, awarded to Professional Turf Products. One is a schedule replacement for unit #98170 from ERF Account for Dept. 673/Golf Course and approved per fiscal year 08-09 budget. And the other is a new addition to the fleet for Dept. 644/Ground Maintenance District #1, funded from account 644-8421 for \$25,000.00 and the remaining to be funded from account 658-6212.

The City is authorized to purchase from a Local Cooperative Organization pursuant to Chapter 271, Subchapter F of the Texas Local Govt. Code and by doing so satisfies any State law requiring local governments to seek competitive bids for items. (#292-08)

Total purchase price for including Set-Up and Prep Fee is \$54,463.94.



**CITY OF PLANO
COUNCIL AGENDA ITEM**

List of Supporting Documents: Memo, Agenda, Quote Sheet, CRO	Other Departments, Boards, Commissions or Agencies



MEMORANDUM

DATE: December 22, 2008
TO: Nancy Corwin, Buyer
FROM: David Garza, Fleet Superintendent
SUBJECT: Request to purchase two (2) Toro Multi Pro (1250) Chemical Sprayers through Texas Association School Buyboard Program, Contract #292-08 awarded to Professional Turf Products.

Base Price:	\$23,004.87 x 2 =	\$46,009.74
Published Options:		\$ 7,354.20
Set-Up/Prep Fee:		<u>\$ 1,100.00</u>
TOTAL COST:		\$54,463.94

NOTES: One unit is a scheduled replacement for unit #98170 for Dept. 673/Golf Course, approved per fiscal year budget 08/09.
One unit is a new addition in FY 08-09 ERF for Dept. 644/Ground Maintenance #1, funded from account 644-8421 for \$25,000.00 and the remaining to be funded from account 658-6212.

Please reference CRO No. 374488.

Please feel free to call me if you have any questions at extension 4183.

Cc: Reid Choate
Shellene Beach
Butch Hartline
Diane Palmer

PROFESSIONAL TURF PRODUCTS

BUYBOARD CONTRACT 292-08

toro.com : Golf Course Mgmt / Grounds & Sports Turf • effective 11/01/07

Multi Pro® 1200 / 1250

Main Components - Must choose one or more from each

Traction Unit - Includes tank, pump and control system

41177	341 100 Multi Pro 1250	\$23,004.87
41178	341 100 Multi Pro 1200	\$20,870.54

Optional Accessories/Components

41024	341 100 Single Nozzle Kit (Boomless Sprayer)	\$119.34
41135	341 100 Electric Hose Reel Kit	\$1,880.66
41133	341 100 Spray Gun Kit Only (includes 25' of 1/2" hose & gun)	\$415.70
41217	341 100 Sonic Boom Kit	\$2,493.40
41236	341 100 Foam Marker Kit	\$1,246.30
41157	341 100 ProFoam Concentrate (4 one gal. per case)	\$177.01
41361	341 100 ROPS	\$390.87
106-5150	341 100 Pump Rebuild Kit, Stainless Hardware	\$204.23
106-4842	341 100 Rinse Kit	\$728.06
41323	341 100 New Boom Retrofit Kit - F'03 MP1200/1250 and newer	\$4,317.19
112-7816	341 100 Bracket-Foam Mixer Asm, Welded	\$102.11
112-7812	341 100 Mount-Foam Marker Tank	\$104.10
112-7866	341 100 Bracket-Foam Marker Asm, Welded	\$120.12

Spray Nozzles for Open Booms

95-9221	341 100 Yellow 0.20 gpm nozzle @ 40 PSI (11 required)	\$11.16
95-9222	341 100 Red 0.40 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9223	341 100 Brown 0.50 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9224	341 100 Gray 0.60 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9225	341 100 White 0.80 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9188	341 100 Light Blue 1.00 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9226	341 100 Light Green 1.50 gpm nozzle @ 40 PSI (11 required)	\$11.53
95-9186	341 100 Nozzle Cap	\$3.07
40998	341 100 Gasket	\$0.47

PROFESSIONAL TURF PRODUCTS

Will Dutton
 SF&G Account Executive
 Cell # (972)746-7637
 E-Mail: duttonw@proturf.com

1010 N.Industrial
 Euless, Texas
 1-888-776-8873 Ext 5410
 Fax 817-785-1901



CUSTOMER INFORMATION

Date: 12-17-08

Company: City of Plan
Name: David Garza
Address: 4200 W. Plano Pkwy
Phone: 972-769-4183
Fax: 972-461-6840



PRICE QUOTATION

PROFESSIONAL TURF PRODUCTS IS A BUYBOARD VENDOR
 CONTRACT 225.05 GROUNDS MAINTENANCE EQUIPMENT

QTY	MODEL #	COMPANY	DESCRIPTION	EACH	PRICE
-----	---------	---------	-------------	------	-------

THIS QUOTE IS TASB BUYBOARD PRICING

2	41177		Multi Pro 1250		\$46,009.74
2	41135		Electric Hose Reel Kit-Includes 150' of hose & gun		\$3,761.32
2	41236		ProFoam Marking Kit*		\$2,492.60
2	112-7816		ProFoam Marking Kit Mounting Bracket		\$204.22
22	95-9222		Red 0.40 gpm nozzle @ 40 PSI		\$253.66
22	95-9223		Brown 0.50 gpm nozzle @ 40 PSI		\$253.66
22	95-9224		Gray 0.60 gpm nozzle @ 40 PSI		\$253.66
44	95-9186		Nozzle Cap		\$135.08
Multi Pro 1250					\$53,363.94
Setup/Service/Delivery					\$1,100.00

Subtotal	\$54,463.94
TAX	
TOTAL	\$54,463.94

CITY OF PLANO

12/19/08

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P.O. Number 374488 OC

Cost Center 071

Supplier PROFESSIONAL TURF PRODUCTS
ATTN: CINDY HEISS
P O BOX 613189
DFW AIRPORT TX 75261

Ship To CITY OF PLANO
FLEET & EQUIPMENT SERVICES DIVISION
4200 W PLANO PARKWAY
PLANO TX 75093

To ensure proper payment, remit invoice to:
City of Plano - Accounts Payable
PO Box 860279
Plano, TX 75086-0279

Ordered 12/19/08 Freight
Requested 12/19/08 Order Taken By
Delivery

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
MULTI-PRO CHEMICAL SPRAYERS	2	EA	23,004.8700	46,009.74	12/19/08

ITEM # 41177

REQUEST TO PURCHASE TWO
(2) TORO MULTI-PRO (1250)
CHEMICAL SPRAYERS THROUGH
TEXAS ASSOCIATION SCHOOL
BUYBOARD PROGRAM.
CONTRACT #292-08.
AWARDED TO PROFESSIONAL
TURF PRODUCTS.

NOTE:

ONE (1) UNIT IS A SCHEDULED
REPLACEMENT FOR UNIT 98170
FOR DEPT. 673/GOLF COURSE, APPROVED
PER FY 08/09 BUDGET.
ONE (1) UNIT IS A NEW ADDITION IN FY 08/09 ERF
FOR DEPT. 644/GROUND MAINTENANCE #1.
FUNDED FROM ACCOUNT # 644.8421 FOR
\$25,000.00 AND THE REMAINING TO BE FUNDED
FROM ACCOUNT # 658-6212.

CRO REQUESTED BY DAVID GARZA.

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CITY OF PLANO

12/19/08

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P.O. Number 374488 OC
 Extended Price Request Date

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
PUBLISHED OPTIONS ITEM 41135 ELECTRIC HOSE REEL KIT - INCLUDES 150' OF HOSE AND GUN.	2	EA	1,880.6600	3,761.32	12/19/08
PUBLISHED OPTIONS ITEM 41236 PROFOAM MARKING KIT.	2	EA	1,246.3000	2,492.60	12/19/08
PUBLISHED OPTIONS ITEM 112-7816 PROFOAM MAKING KIT - MOUNTING BRACKET.	2	EA	102.1100	204.22	12/19/08
PUBLISHED OPTIONS ITEM 95-9222 RED 0.40 GPM NOZZLE @ 40 PSI.	2	EA	126.8300	253.66	12/19/08
PUBLISHED OPTIONS ITEM 95-9223 BROWN 0.50 GPM NOZZLE @ 40 PSI.	2	EA	126.8000	253.60	12/19/08
PUBLISHED OPTIONS ITEM 95-9224 GRAY 0.60 GPM NOZZLE @ 40 PSI.	2	EA	126.8000	253.60	12/19/08
PUBLISHED OPTIONS ITEM 95-9186 NOZZLE CAP.	2	EA	67.5400	135.08	12/19/08
SETUP/SERVICE/DELIVERY CHARGES INVOICE TO FOLLOW		EA	1,100.0000	1,100.00	12/19/08

Total Order

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CITY OF PLANO

12/19/08

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P.O. Number

Description

Ordered

UOM

Unit Price

Extended Price

Request

Date

TermNet 30 Days

54,463.82

d-8



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Department:	Fleet & Equipment Services		Initials	Date	
Department Head	Reid Choate		Executive Director	<i>[Signature]</i>	1-5-09
Dept Signature:	<i>[Signature]</i>		City Manager	<i>[Signature]</i>	1/5/09
Agenda Coordinator (include phone #): Linda M. Robinson x4180					

ACTION REQUESTED: ORDINANCE RESOLUTION CHANGE ORDER AGREEMENT
 APPROVAL OF BID AWARD OF CONTRACT OTHER PURCHASE OFF
EXISTING CONTRACT

CAPTION

Approval of the purchase of one (1) Jacobsen Rough Rotary Mower (HR-9016) in the amount of \$71,983.00 from Luber Bros. through an existing contract/agreement with Texas Association School Buyboard Purchase Program, and authorizing the City Manager or his designee to execute all necessary documents. (#292-08)

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 08/09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	67,000	0	67,000
Encumbered/Expended Amount	0	0	0	0
This Item	0	-71,983	0	-71,983
BALANCE	0	-4,983	0	-4,983

FUND(S): EQUIPMENT REPLACEMENT FUND (071)

COMMENTS: Funds are included in the FY 2008-09 adopted budget for the purchase of one (1) Jacobsen 9016 Rough Rotary Mower for Grounds Maintenance Services. The additional funds of (\$4,983) needed for the replacement unit will be funded through savings in the Equipment Replacement Fund.

STRATEGIC PLAN GOAL: Replacement equipment purchases relates to the City's Goal of "Service Excellence".

SUMMARY OF ITEM

Equipment Services request the purchase of one (1) Jacobsen Rough Rotary Mower (HR-9016) through the Texas Association School Buyboard Purchase Program, awarded to Luber Bros. This is a schedule replacement for unit #01171 from ERF Account 071-8416 for Dept. 658/Ground Maintenance Services District #3 and approved per fiscal year 08-09 budget.

The City is authorized to purchase from a Local Cooperative Organization pursuant to Chapter 271, Subchapter F of the Texas Local Govt. Code and by doing so satisfies any State law requiring local governments to seek competitive bids for items. (#292-08)

Total purchase price for including Set-Up and Prep Fee is \$71,983.00.

List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Memo, Agenda, Quote Sheet, CRO	



MEMORANDUM

DATE: December 16, 2008
TO: Nancy Corwin, Buyer
FROM: David Garza, Fleet Superintendent
SUBJECT: Request to purchase one (1) Jacobsen Rough Rotary Mower (HR-9016) through Texas Association School Buyboard Program, Contract #292-08 awarded to Luber Bros.

Base Price:	\$71,018.00
Published Option (Canopy):	\$ 665.00
Set-Up/Prep Fee:	\$ 300.00
TOTAL COST:	\$71,983.00

BUDGET AMOUNT: **\$67,000.00**

NOTES: This will be a scheduled replacement for unit #01171 from ERF Account 071-8416, for Dept. 658/Ground Maintenance Services District #3, approved per fiscal year budget 08/09.

Please reference CRO No. 374437.

Please feel free to call me if you have any questions at extension 4183.

Cc: Reid Choate
Shellene Beach
Diane Palmer



Oklahoma City, OK

Dallas, TX

Tulsa, OK

Houston, TX

"Preferred" Equipment Supplier for the 2006 Senior PGA Championship & 2007 PGA Championship

Quotation

Customer: City Of Plano
Attn.: David Garza
Phone:
Fax:

Date: 12/11/2008
Acct. Type: Govt
E-mail:
Mobile:

Table with 5 columns: QTY, MODEL #, DESCRIPTION, MSRP, BUY BOARD PRICE. Includes items like ROUGH MOWER, Canopy, and Set And Prep.

Pricing Offered Through Buy Board Contract #292-08 "Grounds Maintenance Equipment"

QUOTATION VALID FOR 30 DAYS

Accepted By:
Date:
PO #:

Luber Bros. Inc
Russell Coe
Territory Sales Manager
russellcoe@luber.com



HR-9016™ Turbo Wide Area Rotary Mower

Effective September 28, 2008

Model Number	Description	Shipping Weight	Suggested List Price Ex Works
--------------	-------------	-----------------	-------------------------------

HR-9016™ Turbo (Ex Works Charlotte, NC)

All HR-9016 tractors feature a 90 hp Kubota Diesel engine with cold start kit included, 2 WD (transport) / 4 WD (mow) servo-controlled hydrostatic traction system, hydraulic rotary deck drive with individual 1-2-3 decks lift system, power steering with tilt wheel, deluxe seat with air-ride suspension, twin batteries, pneumatic caster wheels and all cutting decks.

070529	HR-9016 Turbo Tractor w/2-post ROPS (Certified to SAE J1194).....	6,600	92,231.00 ←
	and seat belt.....		

HR - 9016 Turbo Options and Accessories

071055	Leaf Mulcher Kit (Complete for three decks)	75	\$2,129.00
078138	2-Post ROPS w/seatbelt. (Certified to SAE J1194)	250	1,741.00
078154	Road Package Kit (includes flashers, turn signals, taillight	35	1,211.00
	and (2) headlights (5003564 required)		
078155	Working Light Kit (5003564 required).....	25	609.00
068095	Canopy / Sunshade Kit	52	864.00 ←
067888	Cruise Control Kit	5	654.00
* 5003564	Accessory Harness Kit	7	968.29
* 2811453	Carefree Tire™ kit		927.34
* 2812307	Rear steering wheel weight kit (130# each)		1,986.10
* 3007759	High lift cutter bar (11 required).....		16.36

HR- 9016 Turbo Aftermarket Accessories and Attachments

The following attachments have been designed and approved for use by the respective manufacturer on the HR-9016 Turbo. Communications, including ordering, pricing and payment terms, should be made directly with the listed suppliers. Jacobsen makes no warranty or commitment with regard to the functionality, reliability, or safety of these third-party products.

Cab, Cab accessories and Cab with Air-conditioner - Order from:
 Jodale Perry Corporation
 Box 909, 300 Route 100, Morden, Manitoba, Canada R6M 1A8
 Phone: 204-822-9100 or Fax: 204-822-9111

Brush/Sweeper - Order from:
 M - B Companies, Inc.
 1200 S. Park Street, Box 148, Chilton, WI 53014
 Phone: 888-558-5801 or 920-898-4203 or Fax: 920-898-4588

Snow Blower (No longer supplied by Loftness)
 Jacobsen is currently working with a potential new supplier on this accessory.
 We will issue a bulletin when an agreement is finalized.

* Considered a Service Item and can only be Purchased through the Parts Department

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CITY OF PLANO

12/16/08

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P.O. Number 374437 OC

Cost Center 071

Supplier LUBER BROTHERS INC
6801 NW 50TH
BETHANY OK 73008

Ship To CITY OF PLANO
FLEET & EQUIPMENT SERVICES DIVISION
4200 W PLANO PARKWAY
PLANO TX 75093

To ensure proper payment, remit invoice to:
City of Plano - Accounts Payable
PO Box 860279
Plano, TX 75086-0279

Ordered 12/16/08 Freight
Requested 12/16/08 Order Taken By
Delivery

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
JACOBSEN ROUGH ROTARY MOWER CONTRACT 292-08 REQUEST TO PURCHASE ONE (1) JACOBSEN ROUGH ROTARY MOWER (HR-9016) THROUGH TEXAS ASSOCIATION SCHOOL BUYBOARD PROGRAM. CONTRACT #292-08. AWARDED TO LUBER BROS. CRO REQUESTED BY DAVID GARZA INVOICE TO FOLLOW. NOTES: THIS WILL BE A SCHEDULED REPLACEMENT FOR UNIT 01171 FROM ERF ACCOUNT 071.8416, FOR DEPT. 658/GROUND MAINTENANCE SERVICES, DISTRICT #3, APPROVED PER FY BUDGET 08/09. BUDGET AMOUNT \$67,000.00.	1	EA	71,018.0000	71,018.00	12/16/08
PUBLISHED OPTION CANOPY	1	EA	665.0000	665.00	12/16/08

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CITY OF PLANO

12/16/08

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P.O. Number 374437 OC

Extended Price Request Date

Description	Ordered	UOM	Unit Price	Extended Price	Request Date
SET UP & PREP FEE	1	EA	300.0000	300.00	12/16/08

Total Order

TermNet 30 Days 71,983.00

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**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Technology Services			Date
Department Head	David Stephens	Executive Director		01-05-09
Dept Signature:	<i>David Stephens</i>	City Manager		1/5/09
Agenda Coordinator (include phone #):		Amy Powell Ext. 7342		
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input checked="" type="checkbox"/> OTHER EXISTING CONTRACT				
CAPTION				
Purchase from an existing contract/agreement authorizing an expenditure for staff augmentation to install and test wireless antennas for the Automatic Meter Reading (AMR) Project for Customer & Utility Services, in the amount of \$75,838.62 from Scientel Wireless, LLC., through an existing contract/agreement with the Department of Information Resources (DIR), and authorizing the City Manager or his designee to execute all necessary documents. (DIR-SDD-767).				
FINANCIAL SUMMARY				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	2008-09	Prior Year (CIP Only)	Current Year	Future Years
Budget		0	177,131	0
Encumbered/Expended Amount		0	-5,630	0
This Item		0	-75,839	0
BALANCE		0	95,662	0
FUND(S): WATER & SEWER FUND (041-422)				
COMMENTS: Funds are included in the 2008-09 Utility Billing Field Services budget for the installation and testing of switches/power for the AMR project. The balance of funds will be used for other contracts and professional services. STRATEGIC PLAN GOAL: Installation and testing wireless antennas for the AMR project relates to the City's Goal of "Service Excellence".				
SUMMARY OF ITEM				
Technology Services recommends Council approve an expenditure of \$75,839 to Scientel Wireless, LLC., through the Department of Information Resources (DIR) Contract for the connection and testing of the wireless antennas used for the AMR (Automatic Meter Reading) Project for the Customer and Utility Services Department. Scientel will install switches into the existing MESH control cabinets and provide testing for installed devices. The City is authorized to purchase from the Department of Information Resources (DIR) Contract List pursuant to Section 271, Subchapter D of the Local Government Code, and by doing so, satisfies any State Law requiring local government to seek competitive bids for items. (DIR-SDD-767).				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		
Staff memo, Quote				

Interoffice Memo

Date: 12/20/08

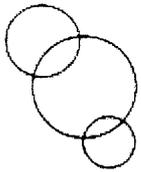
To: David Stephens, Director Technology Services

Cc:

From: Chester M. Helt, Infrastructure Manager

RE: Scientel Staff Augmentation – AMR Wireless Meter Project

We are recommending using Scientel to augment our staff for the connection and testing of the wireless antennas being used for the AMR meter reading system. They will install switches into the existing Mesh control cabinets and provide quality control testing for the devices being installed. Scientel has a contract for staff augmentation with the State of Texas Department of Resources, DIR-SDD-767 and we are recommending they perform the above services using this State contract for an amount not to exceed \$75,838.62.



scientel

W I R E L E S S , L L C

[HTML version](#) [PDF version](#)

Proposal #2008222: City of Plano, TX - AMR project

Sent Date: 12/09/08

To

Todd McKown
City of Plano, TX
1117 E. 15th Street
Plano, TX 75074

From

Scientel Wireless, LLC
1007 Oak Creek Dr
Lombard, IL 60148
USA

Content

Units

Rate

Total

Network Engineer 3 - Emerging Technology 858 hrs \$88.39/hr \$75,838.62

-

- Texas DIR Contract Number DIR-SDD-767

-

Total \$75,838.62

Response

Status: Viewed

Sent Date: 12/09/08

Response Date: *no response yet*

[HTML version](#) [PDF version](#)

You can Accept or Refuse this proposal now.



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal <i>PW</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Accounting	Initials	Date	
Department Head	Denise Tacke <i>DT</i>	Executive Director		
Dept Signature:		City Manager	<i>AM</i>	<i>12/29/08</i>
Agenda Coordinator (include phone #): Allison Friloux x5225				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER				
CAPTION				
A Resolution of the City Council of the City of Plano, Texas, accepting the findings and opinions of the Annual Audit; authorizing the City Manager, or in his absence the Director of Finance, to publish the results thereof; and providing an effective date.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(S):				
COMMENTS:				
SUMMARY OF ITEM				
It is recommended that the City Council formally accept the annual financial report and that authorization be given for publication of a summary of the 2007-08 financial audit in the City's official newspaper as required by Section 3.14 of the City Charter.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		
Comprehensive Annual Financial Report				

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, ACCEPTING THE FINDINGS AND OPINIONS OF THE ANNUAL AUDIT; AUTHORIZING THE CITY MANAGER, OR IN HIS ABSENCE THE DIRECTOR OF FINANCE, TO PUBLISH THE RESULTS THEREOF; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 3.14 of the City Charter requires that "At the close of each fiscal year a complete audit shall be made by a duly licensed Public Accountant . . ."; and

WHEREAS, the City Council has been presented the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2007-08, a copy of which has been filed with the City Secretary, available for public inspection, and incorporated herein by reference (hereinafter called "CAFR"); and

WHEREAS, upon full review and consideration of the CAFR, and the included opinion of the City's duly appointed auditors, Grant Thornton LLP, the City Council is of the opinion that the requirements of the Charter have been satisfied.

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

Section I. The findings and opinions of the CAFR have been reviewed by the City Council of the City of Plano, and are hereby in all things accepted.

Section II. The City Manager, or in his absence, the Director of Finance, is hereby instructed to publish the results of the CAFR and all other documents in connection therewith on behalf of the City of Plano, as provided in Section 3.14 of the City Charter.

Resolution No. _____

Section III. This Resolution shall become effective from and after its passage.

DULY PASSED AND APPROVED this the 12th day of January, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

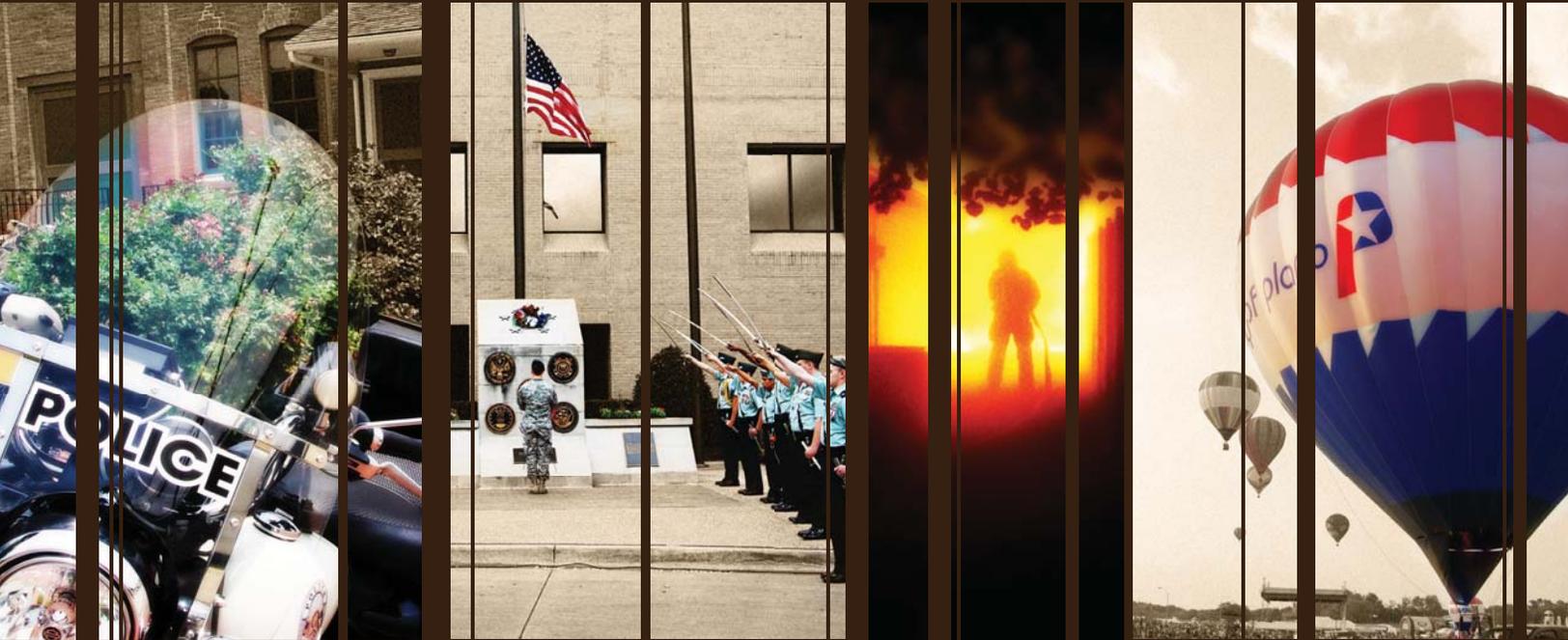


Diane C. Wetherbee, CITY ATTORNEY

CITY OF PLANO, TEXAS

comprehensive annual financial report

for fiscal year ended september 30, 2008





Mission Statement



The Mission of the City of Plano is to provide outstanding services and facilities, through cooperative efforts with our citizens, that contribute to the quality of life in our community.

Photographs on the cover:

In order from left to right: Plano Police motorcycle, Memorial Day ceremony, Firefighter in action and Plano Balloon Festival.

CITY OF PLANO, TEXAS

Comprehensive Annual Financial Report

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2008

Prepared By:

Accounting Division

**Director of Finance – Denise Tacke
Controller – Mary Reese**

**Wendy Badgett
Dianne Bell
Jonathan Davis
Diane Dunbar
Allison Friloux
Pam Hanks
Debbie Hartwell
Tara Lopez
Denise McCord
Orsheka Moore
Elsa Pasanen
Rebecca Sides
Jillyann Stacey
Crystal Swiere
Valerie Tidwell**

**CITY OF PLANO, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008
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January 5, 2009

Pat Evans
Mayor

Jean Callison
Mayor Pro Tem

Harry LaRosiliere
Deputy Mayor Pro Tem

Pat Miner
Place 1

Scott Johnson
Place 2

Mabrie Jackson
Place 3

Sally Magnuson
Place 4

Lee Dunlap
Place 8

Thomas H. Muehlenbeck
City Manager

To the Honorable Mayor, Members of the City Council
and Citizens of the City of Plano, Texas:

The Comprehensive Annual Financial Report (CAFR) of the City of Plano, Texas (the City), for the year ended September 30, 2008, is submitted in accordance with Section 3.14 in the City Charter.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Grant Thornton LLP has issued an unqualified ("clean") opinion on the City of Plano's financial statements for the year ended September 30, 2008. The independent auditors' report is located in the beginning of the financial section of the CAFR.

This letter of transmittal is designed to compliment Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements.

City of Plano Profile

The City of Plano is the largest city in Collin County, located in the southwest corner of the county, approximately 20 miles north of downtown Dallas. There are currently 72.2 square miles of land in the City's corporate boundary.

The City was incorporated on June 2, 1873, under the provisions of H.B. 901 of the Texas Legislature. It was subsequently chartered on June 10, 1961, and operates under a Council-Manager form of government. The City Council is comprised of a Mayor and seven members and is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing the members of various statutory and advisory boards, the City Manager, City Attorney, and a Municipal Judge. The City Manager is the chief administrative officer of the government and is responsible for the enforcement of laws and ordinances, the appointment and supervision of the executive directors, and heads of departments, and the performance of functions within the municipal organization.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Plano as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services including police and fire protection; environmental health; sanitation services; community development; building inspection; traffic control; parks and libraries; the construction and operation of water, sewer, drainage, environmental waste services, streets and infrastructure; convention and tourism activities and cultural events.

Discretely presented component units are legally separate entities and not part of the primary government's operations. Accordingly, the Plano Economic Development Board and the two Tax Increment Financing units are reported discretely using proprietary fund accounting. The Plano Housing Authority, a related organization, is not a part of this report, as the City's accountability does not extend beyond appointing the Board.

Local Economy

Plano is a community that offers exceptional housing, award-winning schools and a dynamic business climate, all of which are strong factors in the success of the City's economy. The City also continues to benefit from other favorable conditions associated with Plano, including a stable, diversified economic base and a desirable location for work, destination and living.

Plano, a 1994 All-American City, was named the 41st fastest growing city in the United States of cities with populations of 100,000 or more at the time of the 2000 Census, according to 2005 Census Bureau estimates. Since 1990, Plano's population has grown an estimated 100.1% to 261,500 in 2008. Estimates for residential population are projected at 264,300 in 2010 and 274,300 in 2020.

In August 2008, Salary.com named Plano as the number one place to build personal wealth, based on job availability, industry diversity, population education level, salary level, cost of living, work commute time, poverty level and proximity to educational institutes on their Salary Value Index.

The Census Bureau released a report in fall 2008 presenting Plano as the most affluent city in the nation with a 2007 median income of \$84,492. The city had the highest income and lowest poverty level for cities with populations of more than 250,000.

New Geography packaged Plano with the Dallas Metropolitan area, giving it a 12th place rating as one of the "Best Cities for Doing Business."

Plano has held an "AAA" Bond Rating since fiscal year 2000 by three of the nation's top bond rating companies, attesting to its strong tax base and financial management. Attracting and retaining some of the nation's top Corporate 500 companies and the best small businesses in the region has become the "norm".

Plano is recognized for its education system, library system, public safety departments, quality of life, and stable tax base. A diverse economy and well-educated populace make for a higher per capita income, reflected in higher per capita spending. Many new jobs continue to be created with the opening, expansion and relocation of businesses to the City.

Given Plano's continued pro-business attitude and enthusiastic accommodation of industry, the City continues to prosper economically. The following categories represent key factors that impact Plano's economic and financial success:

Sales Tax Revenues

The General Fund's second largest revenue source is sales tax generated from a variety of businesses operating in the City of Plano. Sales tax receipts resulted in revenue of \$62.1 million in fiscal year 2007-08, a 0.09% increase from the prior year. The sales tax collections are produced primarily from Plano's sizeable retail base, including two major shopping malls, hundreds of specialty shops and boutiques and major retailers throughout the City.

Employment

A strong business atmosphere, coupled with a highly-educated and motivated workforce, continues to draw diverse companies to relocate to Plano. As a World headquarters for EDS, JCPenney, Frito-Lay, Perot Systems and Dr. Pepper Snapple Group, Plano has built a reputation for being a great place to grow business. An array of national and international corporations have joined these top companies in making Plano home, including Alcatel-Lucent, Capital One, Countrywide Home Loans, Ericsson, Flextronics, McAfee and Texas Instruments. This type of environment creates a broad range of employment opportunities for Plano residents and creates a significant business component to the local tax base.

Job Growth

The following businesses relocating and expanding into Plano have increased the number and scope of job opportunities and brought much needed services to the community. Altair Global Relocation, an independent, full-service relocation management company, plans to relocate its global headquarters to Plano, adding 215 full-time associates and occupying 60,084 square feet of space. Founded in 1989, Altair is the largest certified woman-owned relocation management company in the U.S. It grossed more than \$49 million in 2007 with additional offices in California, Connecticut, Minnesota and London. Children's Medical Center Legacy celebrated its grand opening in September 2008. Located at 7601 Preston Road, Children's Medical Center Legacy sits on a 155-acre site at the southwest corner of Preston and Hedgcoxe Roads. The 184,000-square-foot, \$147 million project offers 60 medical surgical beds, 12 intensive care unit beds, four operating rooms, a full-service diagnostic including CT and MRI, an urgent/emergency care center and a medical office/ambulatory services building. Diodes, Inc. purchased a 16-acre tract in the master planned Legacy mixed-use development to construct a 70,000 square-foot national corporate headquarters in Plano. Diodes, Inc. is a leading global manufacturer and supplier of high-quality, application-specific standard products within the broad discrete and analog semiconductor markets. The new \$7.5 million facility will be ready for occupancy in December 2009. At least 30 full-time employees from two California sites will relocate to Plano. It is a publicly-held corporation with over 2,300 employees in North America, Asia and Europe. Dr Pepper Snapple Group, Inc. (DPS), has leased 41,226 square feet of newly renovated office space at The Campus at Legacy for 270 people. It employs 20,000 people worldwide including 1,250 people at its headquarters' campus. Heartland Payment Systems, Inc., a publicly-traded company delivers credit, debit and prepaid card processing, payroll, check management and payment solutions to more than 165,000 businesses nationwide. It relocated to Plano into 45,000 square feet at Lincoln Legacy One. It acquired Alliance Data's Network Service Business and will more than double its size in the new office space. It acquired 120 employees bringing its total employees to 320 in the new offices. Intertek, a third-party testing lab and analysis company, relocated its Commercial and Electrical Division office to Plano into 94,600 square feet of the 10th Street Business Park. London-based Intertek is a leading provider of quality and safety services to a wide range of global industries including textiles, toys, electronics, building, heating, pharmaceuticals, petroleum, food, minerals and cargo scanning. Its global network of laboratories comprises of more than 1,000 offices and labs, and 23,000 employees around the world. Thirty full-time employees relocated to Plano and it plans to expand to 50 in the next four years. Phoenix Indemnity Insurance Company, a subsidiary of Hallmark Financial Services headquartered in Memphis, Tennessee, moved its office

into 17,000 square feet at 6500 Pinecrest Drive in the Lincoln R&D complex. The 70-employee company plans to increase its staff to 125 in the next four years. Phoenix Indemnity Insurance Company markets personal automobile, motorcycle, homeowner's and renter's policies for over 1,600 independent agents in 12 states. It has growth plans to offer insurance in 23 states by the end of 2009.

The three largest job sectors are retail and wholesale trade, services and manufacturing. The unemployment rate for 1999 was recorded at 2.0%, which was the lowest rate in the last ten years. In 2003, the unemployment rate reached 5.9% and in 2008, was recorded at 4.8%, as provided by the Texas Workforce Commission.

Long-Term Financial Planning

The City's responsiveness to emerging economic challenges and its long-term planning have been key factors in its fiscal health. Although economic forecasts for Plano and the region remain favorable, residential build-out and the controlled economic recovery continue to affect the City. The City has established a program to address the challenges and opportunities that Plano will face as it transitions from a growing to a maturing community.

The City of Plano's fiscal year 2008-09 budget reflects continuing strength in the City's economy. As a result, from implementation of Community Investment Program (CIP) projects, additional facility and building services will be spent to provide coverage for Fire Station #12, the Warehouse Logistics Facility and the Emergency Operations Center.

The City-wide 2008-09 combined budget reflects an increase of \$17.6 million, or 4.6%, over prior year's final budget. The 2008-09 budget for total General Fund revenues and expenditures is approximately \$7.5 million and \$3.6 million, respectively, higher than the 2008 final budget. Funding for Capital Reserve will be accomplished by transferring \$1.2 million from the Water and Sewer Fund along with \$10.5 million from the General Fund. These increases along with no decline in service levels are funded with ad valorem property tax revenues. (\$.3268 General Fund and \$.1467 Debt Service.)

Of the \$78.2 million budgeted for capital expenditures in 2009, \$10.3 million pertains to municipal facilities, \$21.4 million for parks and recreation and \$46.5 million for street improvements and enhancements. The estimated expenditures for municipal facilities includes construction of two new fire stations, establishing an Emergency Operations Center for the City, remodeling existing fire stations, purchase of a new fire engine and construction of a new cultural arts facility in conjunction with several neighboring cities. Projects pertaining to parks and recreation include development of Oak Point Park, various trail connections, construction of a maintenance facility at Oak Point Park and Nature Preserve, restoration and enhancements of Chisholm Trail, new construction at Pecan Hollow Golf Course, various athletic field improvements and expansion and renovation of Carpenter Park Recreation Center, including addition of senior facilities. The City plans on spending \$46.5 million on street enhancements and improvements that include construction and expansion of roadways.

Relevant Financial Policies

Financial Policies. During fiscal year 1990-91, the City Council Finance Subcommittee developed written policies detailing financial goals and guidelines for the City. These included policies for accounting, budgeting, capital improvements, asset management, revenue management, risk management, and fund balance/reserve levels. The City Council adopted these policies in July 1991. During fiscal year 2000, the financial policies were reviewed and updated with the revised financial policies being adopted by City Council in November 2000.

Accounting Procedures and Budgetary Controls. The City's accounting records for general governmental activities are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's water and sewer utility and other proprietary activities are maintained on the accrual basis.

Budgetary control is maintained at the fund level, and encumbrances are entered at the time a purchase order is issued. Open encumbrances are recorded as reservations of fund balance as of September 30 of each year, and the subsequent year's budget is increased to reflect these carried-forward encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year.

The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the City's financial management staff, and expenditure estimates by each City department. Budgets are reviewed by the Director of Budget & Research. The City Manager makes final decisions and submits a recommended budget, or "Program of Service," to the City Council. The proposed budget is reviewed extensively by the City Council, a process which includes a Charter-mandated public hearing, in addition to work sessions which are open to the public. The City Charter requires adoption of the City budget by no later than September 15.

While the budget is developed and controlled at the departmental level, appropriations are made at the fund level. An ordinance establishes the budget for operating expenditures, debt service payments, and interfund transfers, while a separate ordinance establishes the property tax rate.

As part of each year's budget development process, departments are required to update expenditure estimates for the current fiscal year. These estimates are reviewed by the Director of Budget & Research, the City Manager, and the City Council concurrent with review of the proposed budget. (The "re-estimated" current year budget is used as a working budget for the last half of the current fiscal year.) This re-estimated budget may require a supplemental appropriation and, if so, such supplemental appropriation is approved by ordinance adopted by the City Council prior to the end of the current fiscal year.

During the course of the fiscal year, expenditure controls are maintained by each department head with overall review exercised by the Director of Budget & Research and the City Manager. Monthly departmental expenditure reports are generated by an automated management accounting system and provide expenditure totals and encumbrances at the line-item level for the most recently completed month, as well as a year-to-date total, and an actual versus planned rate of expenditure. Major expenditure requests are reviewed by the Budget & Research Department prior to the encumbrance of funds.

Constant review of revenue and expenditure trends is maintained with specific responsibility assigned to the Director of Budget & Research. Recommendations for corrective action are made to the City Manager (and to the City Council, if appropriate) as needed to ensure the integrity of the adopted budget.

The City's Finance Department publishes a Comprehensive Monthly Finance Report (CMFR) directed at providing internal and external users with the general awareness of the City's financial positions and economic activity. The CMFR includes a Financial Summary section reporting the performances of the major operating funds and a status report of the City's capital projects; an Economic Analysis section summarizing key economic indicators and an in-depth review with graphic illustrations; and an Investment Report section describing investment activity, interest earnings and the City's portfolio. The highlights of each month's CMFR are presented to the City Council.

With the recognition of increased need for internal control, an internal audit program has been in place since 1988. An Internal Audit Committee provides oversight and an Internal Auditor conducts the program. This program serves to enhance controls, which are currently in place to safeguard the City's assets and provide a reasonable assurance of proper recording of financial transactions, which, due to the changing complexity of the organization, requires greater attention.

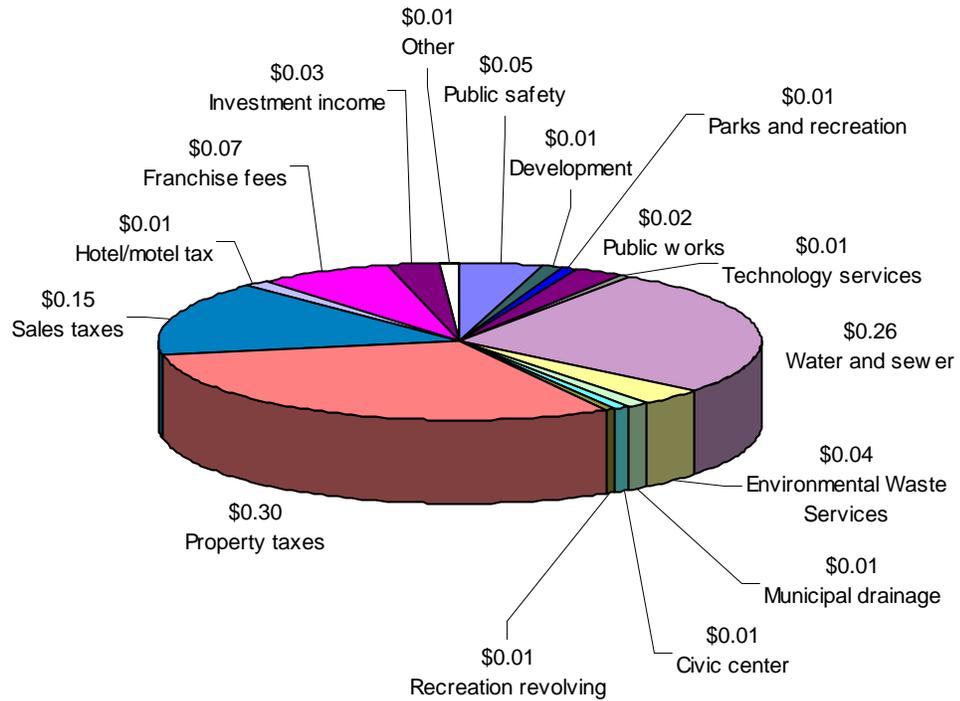
Major Initiatives

The City of Plano's fiscal year 2007-08 budget reflected continuing strength in the City's economy. As a result from implementation of Community Investment Program projects, additional facility and building services were spent for the Tom Muehlenbeck Center, Chisholm Trail & Memorial Park, Trail Connections & Bikeway Systems, Oak Point Park & Nature Preserve and Athletic Field Improvements. Budgeted personnel for the Community Investment Program projects coming on-line included twelve full-time positions.

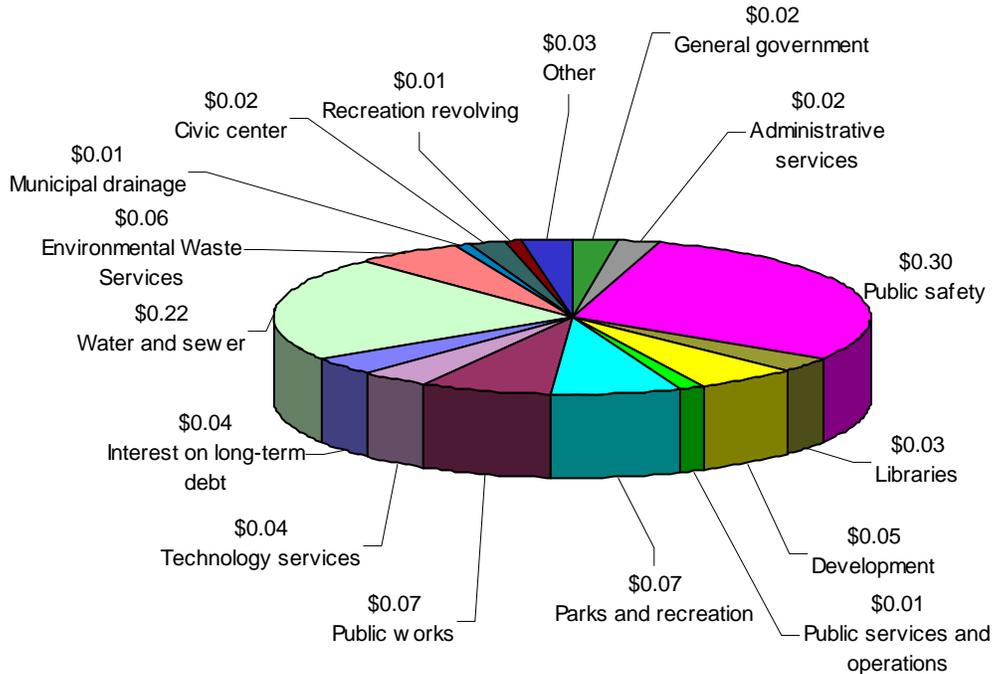
The fiscal year 2008 budget included the addition of forty-nine full time positions, of which twenty-five are related to Public Safety and twelve for Community Investment Projects. The 2007-08 budget for total General Fund revenues was projected \$8.4 million above the 2007 final budget. Funding for Capital Reserve was accomplished by transferring \$3.0 million from the Water and Sewer Fund along with \$10.5 million from the General Fund. Employee salary and benefits were budgeted to increase approximately \$8.1 million. For the second year in a row \$6.0 million was dedicated solely for economic development incentives in order to remain competitive with surrounding neighboring cities. The fiscal year 2008 tax rate remained consistent to prior year at 47.35 cents (\$.3210 General Fund and \$.1525 Debt Service).

The following chart depicts the sources and uses of the City's financial breakout as of fiscal year end 2008:

Where the Money Comes From Revenues per \$1



Where the Money Goes Cost per \$1



Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Plano for its CAFR for the Fiscal Year ended September 30, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

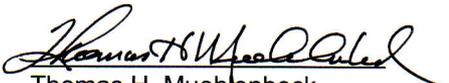
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City of Plano has received a Certificate of Achievement for the last twenty-seven consecutive years (Fiscal Years ended 1981-2007). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

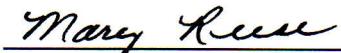
Many persons are responsible for the preparation of this report, and for the maintenance of records upon which it is based. Appreciation is expressed to the City employees throughout the organization, especially those employees of the Accounting Department who were instrumental in the successful completion of this report. Certain individuals worked many extra hours and exhibited extraordinary effort in ensuring the accuracy and timeliness of this report, and their contribution to this effort is greatly appreciated.

Our appreciation is also extended to the Mayor and members of the City Council for providing the resources necessary to maintain the integrity of the City's financial affairs.

Respectfully submitted,


Thomas H. Muehlenbeck
CITY MANAGER


Denise Tacke, CPA
DIRECTOR OF FINANCE


Mary Reese, CPA
CONTROLLER

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Plano
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



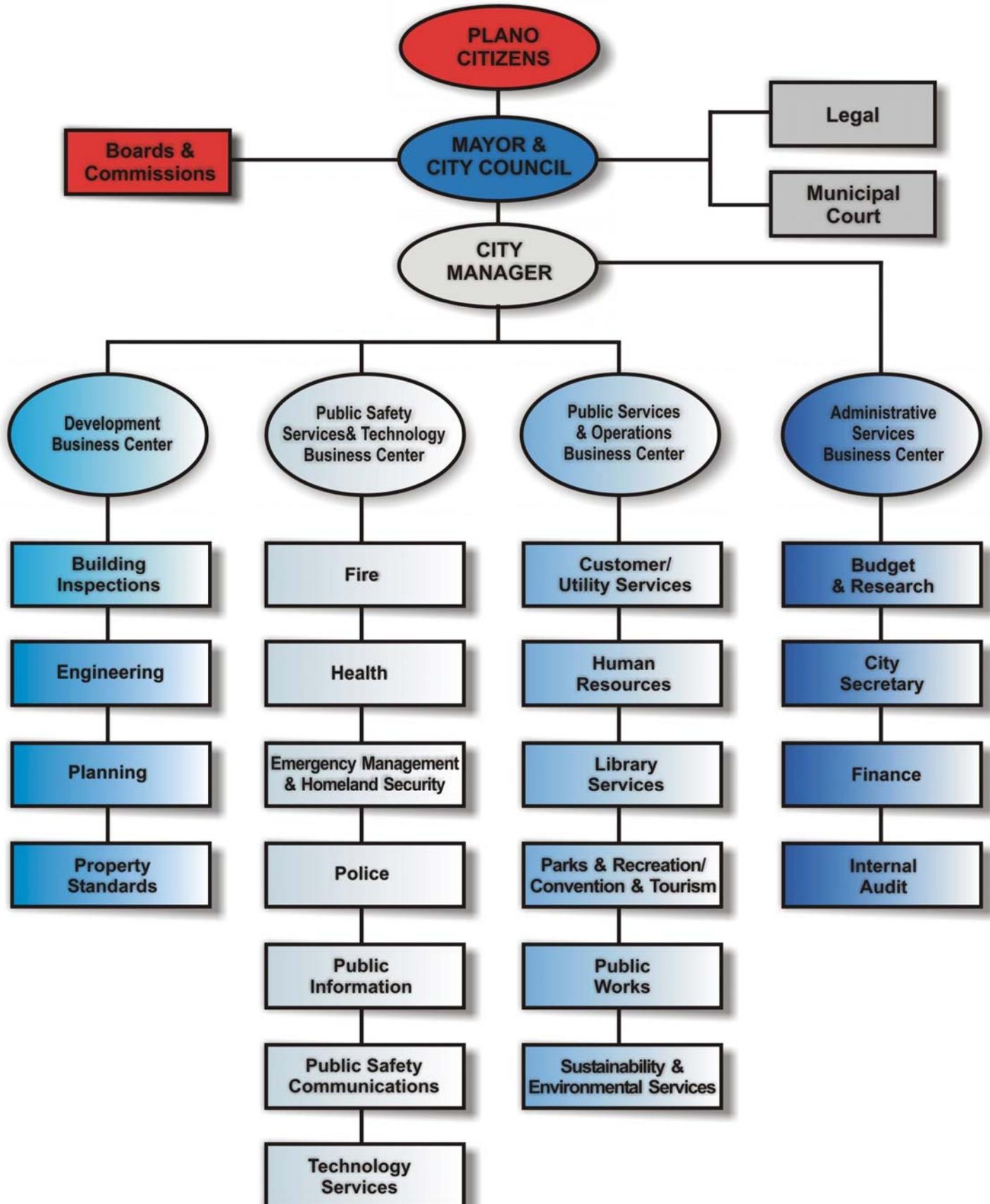
Charles S. Cox

President

Jeffrey R. Emer

Executive Director

City of Plano Organizational Chart



CITY OF PLANO, TEXAS
ELECTED OFFICIALS AND ADMINISTRATIVE OFFICERS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

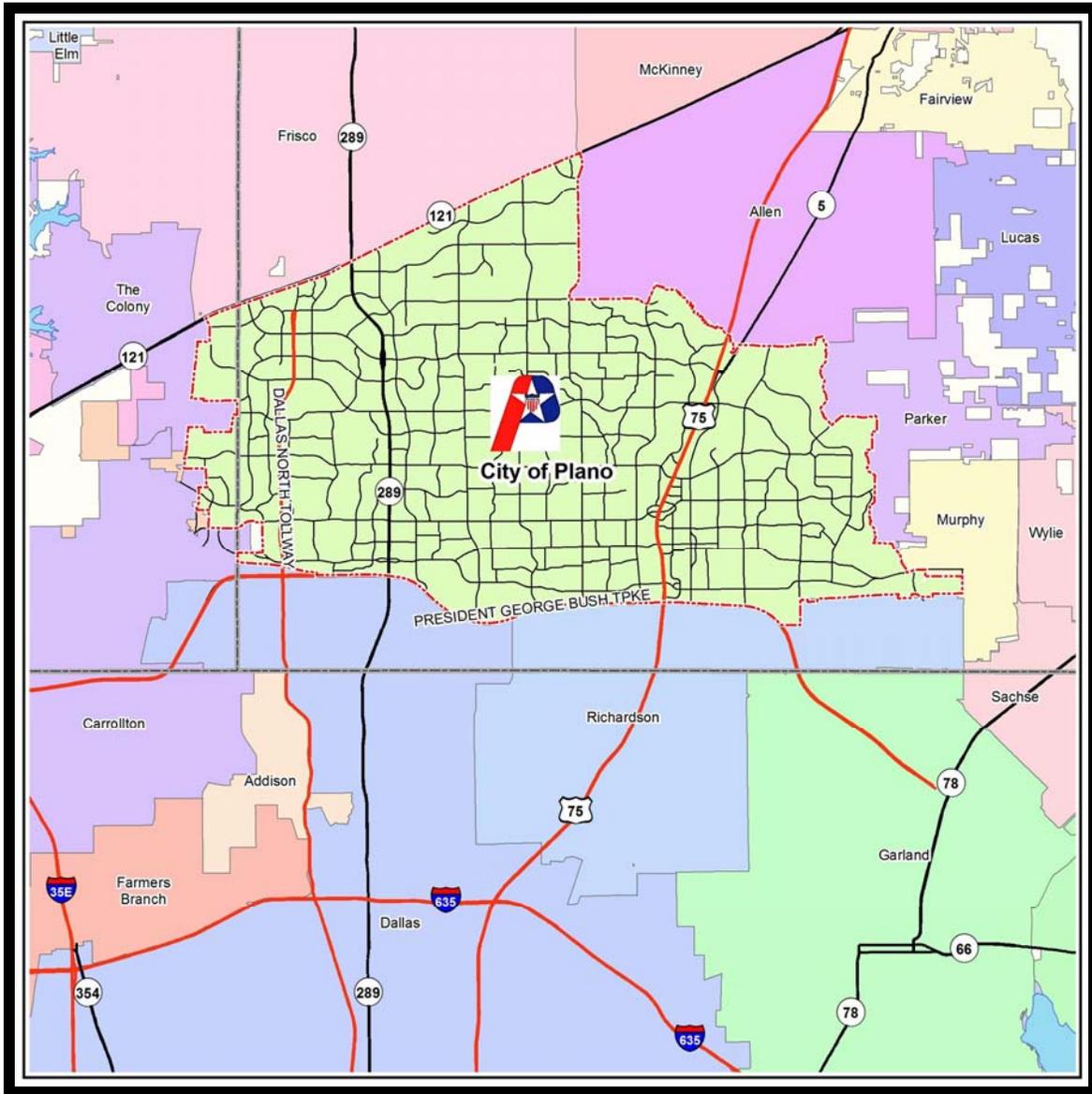
Elected Officials

<u>City Council</u>	<u>Term Expires</u>
Pat Evans Mayor Place 6	May, 2009
Jean Callison Mayor Pro Tem Place 7	May, 2011
Harry LaRosiliere Deputy Mayor Pro Tem Place 5	May, 2011
Pat Miner Place 1	May, 2011
Scott Johnson Place 2	May, 2009
Mabrie Jackson Place 3	May, 2011
Sally Magnuson Place 4	May, 2009
Lee Dunlap Place 8	May, 2009

Administrative Officers

<u>Name</u>	<u>Position</u>
Thomas H. Muehlenbeck	City Manager
Denise Tacke, CPA	Director of Finance
Mary Reese, CPA	Controller

The City of Plano and Surrounding Areas





Independent Auditor's Report

The Honorable Mayor and Members of the City Council
The City of Plano, Texas

Audit • Tax • Advisory

Grant Thornton LLP
1717 Main Street, Suite 1500
Dallas, TX 75201-9436

T 214.561.2300
F 214.561.2370
www.GrantThornton.com

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plano, Texas (the City), as of and for the year ended September 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Plano's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plano, Texas, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 14, the Schedule of Pension Trust – Texas Municipal Retirement System Funding Progress and Contributions, the Schedule of Pension Trust – Retirement Security Plano Funding Progress and Contributions and the Schedule of Pension Trust – Postemployment Benefits 115 Trust Funding Progress and Contributions on page 65 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information listed in the table of contents, including the Schedule of Expenditures of Federal Awards that is required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining fund financial statements, individual nonmajor fund financial statements, individual fund budgetary comparison schedules, and Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, capital assets used in the operation of governmental funds schedules, and statistical section, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Grant Thornton LLP

Dallas, Texas
January 5, 2009

CITY OF PLANO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2008

Our discussion and analysis of the City of Plano's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2008. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements. All amounts, unless otherwise indicated, are expressed in millions of dollars.

FINANCIAL HIGHLIGHTS

- The City's net assets of governmental activities increased by \$21.3 million or 2.8 percent as a result of this year's operations. This is primarily due to increases in the City's capital assets, prepaid postemployment pension benefit obligation and property tax revenues of approximately \$31.0 million, \$17.9 million and \$9.0 million, respectively. Governmental activities program expenses also increased \$20.7 million. Net assets of the City's business type activities increased as a result of this year's operations by \$13.7 million or 3.5 percent.
- The City of Plano's total net assets increased by \$35.0 million or 3.0 percent during the current fiscal year. The increase is primarily the result of contributions from developers of \$13.2 million. Ad valorem tax revenues increased over prior year by \$9.0 million attributed to an increase in existing property values in addition to new property coming on-line as compared to prior year. Investment income is lower over prior year by \$3.7 million due to a decrease in interest rates as a result of the slowing economy.
- Total cost of all of the City's programs increased during the current fiscal year by \$14.1 million or 7.7 percent. The most significant increases in current year operations occurred in police, fire and property liability loss activities. No new major programs were added during the current fiscal year.
- As of September 30, 2008, the City of Plano's governmental funds reported combined ending fund balances of \$196.1 million, an increase of \$32.7 million in comparison with the prior fiscal year.
- At the end of the current fiscal year, the unreserved and undesignated fund balance for the general fund decreased \$1.7 million to \$35.4 million which is approximately 17.8 percent of total general fund expenditures.
- The City's total bonded debt increased by \$33.5 million during the current fiscal year. During the current fiscal year, the City issued \$41.3 million in general obligation bonds, \$17.1 million in tax anticipation notes and \$2.1 million in municipal drainage revenue bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the City of Plano's basic financial statements. The City of Plano's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Plano's finances, in a manner similar to private-sector business. The statement of net assets presents information on all of the City of Plano's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Plano is improving or deteriorating. The statement of net assets combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be

City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008

taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.), to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but not used vacation leave). Both the statement of net assets and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

In the Statement of Net Assets and the Statement of Activities, the City is divided into three kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including the police, fire, libraries, development, public services and operations, public works, technology services and general administration. Property taxes, sales taxes and franchise fees finance most of these activities.
- **Business-type activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system, environmental waste system, municipal drainage system, civic center, municipal golf course, property management activity, recreation revolving activities and downtown center development activity are reported here.
- **Component units** – The City includes three separate legal entities in its report – the economic development fund, TIF (tax incremental financing unit) mall and TIF east side. Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds – governmental and proprietary – utilize different accounting approaches.

- **Governmental funds** – The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is detailed in a reconciliation following the fund financial statements.

The City of Plano maintains twenty individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, capital reserve fund and municipal facilities fund, all of which are considered to be major funds. Data from the other sixteen

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

- Proprietary funds – The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The internal service funds (the other component of proprietary funds) are utilized to report activities that provide supplies and services for the City's other programs and activities, such as the City's municipal warehouse, the City's self insurance funds and equipment maintenance function. Because these services benefit both governmental as well as business type functions, they have been included in both the governmental and business-type activities in the government-wide financial statements.

The City of Plano maintains eight individual enterprise funds. The City uses enterprise funds to account for its water and sewer, environmental waste, civic center, municipal drainage, municipal golf course, property management, downtown center development, and recreation revolving activities. The proprietary fund financial statements provide separate information for the water and sewer, environmental waste services and municipal drainage functions, all three of which are considered to be major funds of the City. Data from the remaining five enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor business-type funds is provided in the form of combining statements elsewhere in this report.

The City as Trustee

Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for its employee's pension plan and post-employment retiree health benefits as well as certain amounts held on behalf of developers, property owners and others. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. The activities of these funds are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and health benefits to the employees.

THE CITY AS A WHOLE – Government-Wide Financial Analysis

The City's combined net assets were \$1.2 billion as of September 30, 2008. Analyzing the net assets and net expenses of governmental and business-type activities separately, the business type activities net assets are \$408.3 million. This analysis focuses on the net assets (table 1) and changes in general revenues (table 2) and changes in net assets (table 3) of the City's governmental and business-type activities.

By far the largest portion of the City's net assets (91.7 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related

City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008

debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1
Net Assets
(In Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 281	\$ 248	\$ 66	\$ 58	\$ 347	\$ 306
Capital assets	909	878	383	380	1,292	1,258
Total assets	1,190	1,126	449	438	1,639	1,564
Long-term debt outstanding	378	340	31	33	409	373
Other liabilities	27	23	10	10	37	33
Total liabilities	405	363	41	43	446	406
Net assets:						
Invested in capital assets, net of related debt	701	680	377	370	1,078	1,050
Restricted	5	5	6	5	11	10
Unrestricted	79	78	25	20	104	98
Total net assets	\$ 785	\$ 763	\$ 408	\$ 395	\$ 1,193	\$ 1,158

Governmental Activities

The City's general revenues increased when compared to the prior year with an increase of \$6.9 million or 3.2 percent. The primary reason for this increase was due to an increase in property tax revenues of \$8.9 million. Property tax revenue increased over prior year attributed to increased property valuations and addition of new property throughout the City. The assessed value of the property in the City increased by \$1.7 billion or 7.4 percent as compared to the prior year. A decrease of \$3.3 million in investment income occurred in the current year due to a decrease in interest rates as a result of the slowing economy. The increase in the City's general revenues are detailed below (Table 2).

Table 2
General Revenues
(in Thousands)

	2008	2007	Increase (decrease)
Property taxes	\$ 123,055	\$ 114,157	\$ 8,898
Sales taxes	62,122	61,573	549
Mixed drink taxes	1,004	984	20
Other taxes	360	225	135
Franchise fees	23,022	22,464	558
Investment Income	10,683	13,986	(3,303)
Total general revenues	\$ 220,246	\$ 213,389	\$ 6,857

City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008

Governmental and Business-type activities increased the City's net assets by \$35.0 million in 2008. The key elements of this increase are as follows:

Table 3
Changes in Net Assets
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 31,046	\$ 28,407	\$126,579	\$109,109	\$ 157,625	\$ 137,516
Operating grants and contributions	4,774	4,592	61	289	4,835	4,881
Capital grants and contributions	9,654	13,500	7,354	7,991	17,008	21,491
General revenues:						
Property taxes	123,055	114,157	-	-	123,055	114,157
Sales taxes	62,122	61,573	-	-	62,122	61,573
Other taxes	24,386	23,673	11,631	11,001	36,017	34,674
Investment income	10,683	13,986	1,411	1,803	12,094	15,789
Total revenues	265,720	259,888	147,036	130,193	412,756	390,081
Expenses:						
General government	9,052	12,820	-	-	9,052	12,820
Administrative services	8,424	7,814	-	-	8,424	7,814
Police	68,433	60,137	-	-	68,433	60,137
Fire	44,201	39,368	-	-	44,201	39,368
Libraries	11,765	10,561	-	-	11,765	10,561
Development	20,447	19,509	-	-	20,447	19,509
Public services and operations	5,402	5,213	-	-	5,402	5,213
Parks and recreation	26,135	22,646	-	-	26,135	22,646
Public works	27,944	26,677	-	-	27,944	26,677
Technology services	13,686	12,951	-	-	13,686	12,951
Other	7,504	6,677	-	-	7,504	6,677
Interest on long-term debt	14,625	12,504	-	-	14,625	12,504
Water and sewer	-	-	83,264	78,414	83,264	78,414
Environmental waste services	-	-	21,864	19,298	21,864	19,298
Municipal drainage	-	-	3,530	3,429	3,530	3,429
Civic center	-	-	7,312	6,416	7,312	6,416
Municipal golf course	-	-	1,000	885	1,000	885
Property management	-	-	39	79	39	79
Recreation revolving	-	-	3,096	2,643	3,096	2,643
Downtown center development	-	-	46	47	46	47
Total expenses	257,618	236,877	120,151	111,211	377,769	348,088
Increase (decrease) in net assets before transfers	8,102	23,011	26,885	18,982	34,987	41,993
Transfers	13,217	12,604	(13,217)	(12,604)	-	-
Increase in net assets	21,319	35,615	13,668	6,378	34,987	41,993
Net assets – October 1	763,275	727,660	394,607	388,229	1,157,882	1,115,889
Net assets – September 30	\$784,594	\$763,275	\$408,275	\$394,607	\$1,192,869	\$1,157,882

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

The most significant governmental expense for the City was for police activity. Of the total \$68.4 million spent, personnel costs were \$52.7 million, an increase over prior year by \$2.1 million. The increase in other expenses in governmental activities pertains to an increase of funds allocated to the Property Liability Loss fund in the current year. Fire activity expenses increased \$4.8 million over prior year attributed to higher personnel costs and increased garage and equipment replacement charges. Operating grants and contributions increased \$0.2 million primarily attributed to increases in grant receipts related to the Community Development Block Grant program and Environmental Services grants from the North Central Texas Council of Governments. Capital grants and contributions decreased \$3.8 million due to receipt of donated land and public art work in prior year. Depreciation expense increased in the parks and recreation, general government and public works activities by \$0.4 million, \$0.5 million and \$0.5 million, respectively.

Business-type Activities

Revenues of the City's business-type activities were \$147.0 million for the fiscal year ended September 30, 2008. Revenues increased approximately \$16.8 million or 13.0 percent as compared to the prior fiscal year. Expenses for the City's business-type activities increased \$8.9 million or 8.0 percent. The increase in net revenues is the result of several factors, including the following:

- The City's water and sewer system recorded charges for services of \$100.0 million, an increase of \$16.4 million or 20.0 percent from prior year primarily due to increased consumption as a result of less rainfall in fiscal year 2008. Expenses increased over the prior year by \$4.9 million. This was primarily due to increases in payments for water and wastewater services in the amount of \$3.1 million.
- The City's environmental waste services activities operated with program expenses exceeding charges for services by \$7.0 million. Residential solid waste revenues are \$0.1 million higher than prior year primarily due to an increase in rates for use of 95-gallon carts. Commercial franchise fee revenues increased over prior year by \$0.5 million. Commercial franchise revenues are based upon commercial tonnage disposed, which has increased over prior year, in addition to an increase in the number of commercial entities serviced. Environmental waste services expenses increased \$2.6 million over the prior year. The increase primarily is due to increased landfill costs as well as garage and equipment replacement charges.
- The City's municipal drainage activity operated with charges for services exceeding expenses by \$1.5 million, compared to \$1.6 million in the prior year. The municipal drainage system recorded charges for services of \$5.0 million, unchanged from the prior year.
- The City's civic center activity operated with expenses exceeding charges for services by \$4.6 million as compared to \$3.8 million in the prior fiscal year. Charges for services are reported at \$2.7 million, an increase of \$0.1 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2008, the City had \$1.3 billion invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines. (See Table 4 below.) This amount represents a net increase (including additions and deductions) of \$34.7 million over the prior fiscal year.

**Table 4
Capital Assets at Year-end
(Net of Depreciation, in Thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Land	\$ 106,991	\$ 104,753	\$ 9,252	\$ 9,249	\$ 116,243	\$ 114,002
Buildings and improvements	73,135	72,979	304,575	306,003	377,710	378,982
Equipment	46,186	32,585	5,402	6,599	51,588	39,184
Construction in progress	180,710	165,583	47,987	41,356	228,697	206,939
Public Art	1,649	1,378	-	-	1,649	1,378
Infrastructure	499,863	500,358	-	-	499,863	500,358
Drainage improvements	-	-	16,235	16,474	16,235	16,474
Totals	\$ 908,534	\$ 877,636	\$ 383,451	\$ 379,681	\$1,291,985	\$1,257,317

This year's major additions included (in millions):

Reconstruction & widening of Parker-K Avenue to Raton	\$ 1.8
Widening Parkwood-Park to Spring Creek	2.7
Acquisition of White Rock Creek Community Park	1.8
Renovation & improvements to Memorial Park	1.3
Construction of Fire Station 12/Logistics Facility and Emergency Operations Center	4.0
Expansion of the Police Academy	2.6
Implementation of Moto Mesh Wireless Phase III	7.0
Replacement of traffic signal assemblies in medians	1.0
Replacement of various street and alley pavement	3.1
Replacement of concrete pavement	2.5
Linking recreational trails throughout the City	1.3
Arterial joint sealing program	1.5
Renovation of athletic facilities	<u>2.1</u>
Total	\$ <u>32.7</u>

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

The City's fiscal year 2009 capital budget calls for it to spend another \$78.2 million for capital projects, principally for three major categories: municipal facilities, parks and recreation and street improvements and enhancements. The estimated expenditures for municipal facilities are \$10.3 million including \$9.3 million for plans to construct a new fire station, establish an Emergency Operations Center, remodel existing fire stations, addition of security enhancements at fire stations and purchase of a new fire engine. Also budgeted is \$1.0 million for architectural services and expenses for a multi-city Performing Arts Facility. Estimated expenditures for the parks and recreation facilities are \$21.4 million including \$9.9 million for development of Oak Point Park, \$2.7 for construction of Legacy recreation trail, \$1.7 million for construction of a maintenance facility at Oak Point Park and Nature Preserve, \$1.2 million for restoration and enhancements of Chisholm Trail, \$1.1 million Pecan Hollow Golf Course construction, \$1.1 million for athletic field improvements, \$1.0 for connection of recreational trails, \$1.0 for expansion and renovation of Carpenter Park Recreation Center. The remaining funds for park improvements and recreation centers are for a variety of projects. The City plans to spend \$46.5 million on street improvements and enhancements including \$5.2 million to reconstruct 14th Street from Avenue K to Ridgewood Drive, \$5.0 million for participation with Collin County on Dallas North Tollway ramp changes, \$2.7 million to widen McDermott Road from Coit to Ohio, \$2.6 million to widen Parkwood from Park Boulevard to Spring Creek Parkway, \$2.0 million to widen Communications from Parker Road to Spring Creek, \$2.0 million to widen Chaparral from K Avenue to East City Limit, \$2.0 million to construct Rasor from Ohio to SH 121, \$2.0 million for widening Ridgeview from Coit to Independence, \$1.8 for intersection improvements at Preston and Legacy, \$1.5 million to widen Independence from McDermott to SH 121, \$1.3 million to widen Plano Parkway from Midway to West City Limit, \$1.3 million for widening Alma from Spicewood to Rowlett Creek, \$1.2 for reconstruction of P Avenue to 18th Street and Belle View, \$1.0 million to reconstruct Springbrook from Janwood to Quill, \$1.0 million to extend Communications Parkway from Spring Creek Parkway to Tennyson, and \$6.3 million for various street improvements, The remaining street improvements and enhancements are for a variety of projects. To support the entire 2008-09 general obligation capital improvement program, an additional \$23.0 million will be required.

More detailed information about the City's capital asset activity is presented in Note 4 to the financial statements.

Debt

At year-end, the City had \$367.0 million in bonds and tax anticipation notes outstanding as compared to \$333.5 million at the end of the prior fiscal year, an increase of 10.1 percent – as shown in Table 5.

**Table 5
Outstanding Debt, at Year-end
(in Thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2008	2007	2008	2007	2008	2007
General obligation bonds (backed by the City)	\$ 310,024	\$ 291,949	\$ -	\$ -	\$ 310,024	\$ 291,949
Tax anticipation notes (backed by the City)	28,075	11,000	-	-	28,075	11,000
Revenue bonds (backed by fee revenues)	-	-	28,900	30,507	28,900	30,507
Totals	\$ 338,099	\$ 302,949	\$ 28,900	\$ 30,507	\$ 366,999	\$ 333,456

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

During the current fiscal year, the City issued \$41.3 million in general obligation bonds, \$17.1 million in tax anticipation notes and \$2.1 million in municipal drainage revenue bonds.

The City's general obligation bonds and tax notes continue to carry an AAA rating, the highest rating possible. This rating has been assigned to the City's tax-supported debt since February 2000, by Moody's Investors Service, Inc., Standard & Poor's and Fitch, Inc. The City's drainage revenue bonds carry an A1 and AA- ratings, as assigned by two of the national rating agencies. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to assessed value of all taxable property is 1.37 percent.

The City maintains a self-insurance program for general liability, public officials' errors and omission, police professional liability, property loss and workers' compensation. Claims for property loss over \$100,000 per occurrence and for workers' compensation over \$500,000 per occurrence are covered by private insurance companies. The City has claims and judgments of \$7.5 million outstanding at year-end compared with \$6.7 million at the end of the prior fiscal year. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 6 to the financial statements.

THE CITY'S FUNDS

At the close of the City's fiscal year on September 30, 2008, the governmental funds of the City reported a combined fund balance of \$196.1 million and the enterprise funds of the City reported combined net assets of \$401.0 million. Included in this year's total change in fund balance is a decrease in fund balance of \$1.0 million in the City's General Fund due to an increase in expenditures of \$8.3 million. Of the \$8.3 million increase in expenditures, personnel costs for police activity are \$2.1 million higher than prior year. Additionally, in the current year, \$6.0 million was dedicated solely for economic development incentives in order to remain competitive with surrounding cities. Depreciation expense increased in the parks and recreation, general government and public works activities by \$0.4 million, \$0.5 million and \$0.5 million, respectively. Fund balance increases in the City's Municipal Facilities of \$11.1 million, Street Improvements of \$11.0 and Park Improvements of \$6.4 are attributable to proceeds from sale of bonds in the current year. In addition, these other changes in fund balances should be noted:

- The City's Debt Service fund balance of \$5.5 million increased from the prior year fund balance by \$0.7 million. Since fiscal year 2006-07, the allocation to the Debt Service portion of the ad valorem tax rate has decreased to 0.1525 from 0.1655, a \$0.0130 decrease.
- The City spent \$14.2 million in capital outlay in the capital reserve fund as compared to \$12.8 million in the prior fiscal year. Investment income decreased \$0.5 million attributed to decreases in interest rates as a result of the slowing economy.
- The City's water and sewer fund net assets of \$367.6 million increased by \$13.0 million over the prior year net asset balance. In the current fiscal year, revenues increased by \$16.4 million due to increased consumption as a result of less rainfall in fiscal year 2008.
- The City's environmental waste services fund net assets were \$1.7 million and decreased by \$0.6 million as compared to the prior fiscal year. Residential solid waste revenues are \$0.1 million higher than prior year primarily due to an increase in rates for use of 95-gallon carts. Commercial franchise fee revenues increased over prior year by \$0.5 million. Commercial franchise revenues are based upon commercial tonnage disposed, which has increased over prior year, in addition to an increase in the number of commercial entities serviced. Environmental waste services expenses increased \$2.6 million over the prior year. This increase is primarily due to increased landfill costs as well as garage and equipment replacement charges.

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

- The City's municipal drainage fund net assets increased by \$1.6 million to \$18.6 million representing an increase of 9.4 percent over prior fiscal year.

General Fund Budgetary Highlights

With the adjustments made during FY 2007-08, the actual on a budgetary basis expenditures were \$201.0 million compared to the re-estimated budget amount of \$209.5 million. The actual expenditures were \$13.9 million lower than the original budget implemented for fiscal year 2007-08. The \$11.1 million variance, comparing actual to re-estimate, was due to adherence by City departments to operate within the allocated re-estimated budget.

For FY 2007-08, the actual on a budgetary basis revenues were \$197.4 million as compared to the re-estimated budget amount and original budget amount of \$193.7 million and \$194.0 million, respectively. Contributing to the variance was higher than anticipated franchise revenue increasing \$1.1 million over the re-estimated budget. Sales tax revenues were higher than the final budget by \$2.9 million. However, property tax revenues came in lower than re-estimated by \$1.2 million. The General Fund transferred \$1.1 million of agricultural exemption rollback taxes to the Capital Reserve fund. The City of Plano has a financial policy to move all of the agricultural exemption rollback taxes received to its Capital Reserve Fund for financing the maintenance and replacement of major infrastructure classified as general capital assets by the City.

The City of Plano has an actual on a budgetary basis General Fund balance of \$34.7 million as of the fiscal year end, compared to the re-estimated budget fund balance and original budget fund balance of \$28.8 million and \$25.9 million respectively. The variance in fund balance is due to City departments operating within the allocated re-estimated budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2009 budget, tax rates, and fees that will be charged for the business-type activities. As anticipated for a number of years, the City of Plano is witnessing a slowdown in our primary revenue sources due to the current economic recession, competition from surrounding cities for sales tax dollars and other factors. Sound financial and infrastructure replacement planning have enabled the City to keep the tax rate relatively constant while maintaining a balance of services. The 2009 Budget reflects a fiscally balanced plan that will allow the City to address community priorities, support essential services, invest in capital projects and provide funding for reserve funds.

Public safety, health, value, and quality of life are foremost in administrative decisions. Visionary planning, community involvement in municipal government, and dedication and resolve by municipal staff have combined to maintain and improve the quality of life and economic opportunities for citizens. Plano's current population of 261,500 is anticipated to be approximately 268,917 in 2015. Plano has been fortunate over the past two decades to have numerous corporate citizens make Plano their home. City tax abatement agreements and reinvestment zones have helped create more than 43,000 jobs. The three largest job sectors are retail and wholesale trade, services, and manufacturing. Although the past year has seen increases for Plano-based oil and gas companies, growth in the region continues to be concentrated on healthcare and small businesses. Current trends indicate interest in the redevelopment of mature commercial centers and infill projects. The reasonable costs of living and homes priced below the national average continue to make Plano an attractive area for new business locations and re-locations. The City continues to attract new and existing companies due to the strategy of working diligently with corporations on relocation incentives. Lured by the pro-business atmosphere and highly educated and motivated workforce, companies continue to relocate to Plano.

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

These indicators are taken into account when adopting the General Fund Budget for fiscal year 2009. The total 2008-09 combined budget appropriation totals \$400.8 million for ten operating funds. This represents an increase of \$17.6 million or 4.4 percent over the 2007-08 re-estimated budget. Ad valorem tax revenue is determined by two major factors: the total assessed values established by both the central Appraisal Districts of Collin and Denton Counties and the tax rate established by the Plano City Council. Since assessed property values have increased annually since 1993, the City has been afforded the opportunity to hold the tax rate relatively constant. The 2008-09 Budget maintains the tax rate of 47.35 cents per \$100 valuation. Of this rate, two-cents is dedicated solely for the Economic Development Incentive Program (EDIP) implemented in 2006-07 to encourage businesses to relocate to Plano. According to final figures received from both the Collin County and the Denton County Central Appraisal Districts, the total assessed property value for 2008-09 of \$25.785 billion is an increase of \$1.274 billion or 5.20 percent. The increase includes new property coming on-line of \$559.7 million while existing property values are expected to increase by \$714.1 million, or 2.91 percent.

Sales tax receipts, the General Fund's second largest revenue source in 2008-09, are projected to decrease 3.0 percent to \$57.4 million. This projected amount includes approximately \$1.5 million in Section 380 grants used as part of the EDIP. Sales tax projections will continue to be impacted by any changes to the national economy, high fuel prices, weather conditions, the loss of market share to surrounding communities due to new shopping developments, the Texas Legislative-initiated "Back-To-School" Sales Tax Holiday occurring each August, and any impending future legislation.

Budgeted expenditures in the General Fund are expected to increase slightly by \$3.6 million or 1.6 percent over the 2007-08 re-estimated Budget, or a decrease of \$44,576 or 0.02 percent less than the 2007-08 Council Budget. The 2008-09 Budget for the General Fund includes \$4.0 million for a 3.0 percent average merit increase for non-civil service employees and an across the board 3.0 percent for civil service employees. This amount includes related increased benefits costs, as well as a 5.0 percent allowance for attrition for all non-civil service positions. In addition, a \$1.6 million health insurance increase is included for nominal medical services increases and to provide additional funding for the implementation of GASB 45 which requires a change from "pay as you go" accounting for post employment benefits to accrual basis for local governments. A total of \$2.0 million is included in the budget to cover the amount of retiree payouts of accrued vacation and sick leave balances expected to occur in 2008-09. Also, the Texas Municipal Retirement (TMRS) contribution rate will be increased slightly at a projected cost of \$860,000. The 2008-09 Budget includes an additional \$1.5 million for Public Safety Additions and Program Increases; \$1.5 million as a result of CIP projected coming on-line; and \$991,761 in increased electricity costs. In addition, General Fund full-time positions were reduced by 39 vacant full-time positions during the 2007-08 Re-Estimate as well as 7 part-time positions. These eliminated positions produced a total estimated salary and benefits savings of \$3.0 million to General Fund operations.

If estimates are realized, the City's budgetary General Fund balance is expected to decrease from the re-estimated 2007-08 Budget by approximately \$12.5 million.

For the City's business type activities, of major concern is the Water and Sewer Fund. The City did not meet its take or pay contract with the North Texas Municipal Water District (NTMWD) for 26.7 billion gallons of water resulting in loss of projected revenue of \$5.0 million. Lower revenues and increases in charges from NTMWD have resulted in the City increasing water and sewer rates, the fourth increase since October 2006. However, 2008-09 assumptions project an increase of \$3.6 million in the Water & Sewer Fund balance. The following recent rate decisions have been made regarding the City's business type activities:

- The 2008-09 revenue projections increase water income by \$7.4 million, or 14.8 percent over the 2007-08 Re-Estimate. The water income revenue increase covers an increase in the wholesale water cost of .10 per thousand gallons, and assumes that weather patterns return to normal, dry summer conditions and reflect a direct consumption increase to a use of 27.6 billion gallons, the contracted minimum from NTMWD. Using the updated 3-year winter quarter averages, 2008-09 Sewer Income revenue is projected to increase 18.4 percent or \$8.2 million over the 2007-08 re-estimate, and includes a pass-through to consumers of a treatment cost increase from NTMWD.

**City of Plano, Texas
Management's Discussion and Analysis (continued)
September 30, 2008**

- Total Sustainability & Environmental Services revenues for 2008-09 are projected at \$22.4 million. This includes the residential rate for customers who choose the 95-gallon cart to increase by \$1.25 to \$15.10 monthly. Customers who use a 68-gallon refuse cart will continue to pay a monthly rate of \$11.25.
- No municipal drainage rate adjustment will be required in 2008-09. The drainage rate for an average homeowner will continue to be \$3.30 per month, and non-residential rates will stay at .056 cents per 100 square feet of impervious area.
- Civic Center fees experienced robust activity during 2007-08 due to an increase in events at Plano Centre. These fees are anticipated to increase slightly in 2008-09 based on booked events and are projected to be approximately \$2.7 million.
- Golf Fees for 2007-08 are projected down from the original budgeted amount of \$925,000 to \$865,000 due to the substantial amount of rainfall received during the spring months. Golf Fees are projected to increase slightly to \$870,000 in 2008-09, assuming the return of a more normal weather pattern.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Controller's Office, at City of Plano, 1520 Avenue K, Suite 370, Plano, TX 75074.

**CITY OF PLANO, TEXAS
STATEMENT OF NET ASSETS
AS OF SEPTEMBER 30, 2008**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 205,253,868	\$ 13,388,563	\$ 218,642,431	\$ 15,750,655
Investments	34,208,378	2,051,120	36,259,498	2,625,315
Receivables (net of allowance for doubtful accounts)	24,961,790	18,432,958	43,394,748	37,028
Internal balances	(7,055,245)	7,055,245	-	-
Due from other governments	618,699	-	618,699	-
Inventories	1,053,062	-	1,053,062	-
Prepays and other assets	18,448,975	544,723	18,993,698	5,257
Restricted assets:				
Cash and cash equivalents	2,660,829	21,176,050	23,836,879	-
Investments	443,512	3,696,506	4,140,018	-
Receivables	6,256	118,754	125,010	-
Capital assets:				
Non-depreciable	289,350,099	57,239,112	346,589,211	110,629
Depreciable (net)	619,183,913	326,211,911	945,395,824	4,235,604
Total Assets	1,189,134,136	449,914,942	1,639,049,078	22,764,488
LIABILITIES				
Accounts payable	5,532,246	4,194,268	9,726,514	15,390
Accrued liabilities	9,463,379	2,165,535	11,628,914	60,076
Accrued interest payable	1,224,874	416,980	1,641,854	-
Contracts payable	6,467,082	168,093	6,635,175	-
Customer deposits	-	2,564,835	2,564,835	-
Unearned revenue	988,378	674,466	1,662,844	-
Due to other governments	1,499,568	-	1,499,568	-
Retainage payable	1,183,454	289,113	1,472,567	-
Seized assets payable	262,791	-	262,791	-
Non-current liabilities				
Due within one year:				
Compensated absences	4,392,465	407,082	4,799,547	5,377
Notes payable	-	-	-	776,433
Bonds payable	21,745,000	3,345,000	25,090,000	-
Tax anticipation notes payable	3,900,000	-	3,900,000	-
Liability for insurance claims	6,302,190	-	6,302,190	-
Due in more than one year:				
Compensated absences	27,884,851	1,859,907	29,744,758	84,647
Notes payable	-	-	-	5,742,533
Bonds payable	288,278,640	25,554,975	313,833,615	-
Tax anticipation notes payable	24,175,000	-	24,175,000	-
Liability for insurance claims	1,240,283	-	1,240,283	-
Total Liabilities	404,540,201	41,640,254	446,180,455	6,684,456
NET ASSETS				
Invested in capital assets (net of related debt)	700,704,326	376,593,433	1,077,297,759	4,346,233
Restricted for:				
Capital projects	-	3,000,840	3,000,840	-
Debt service	5,473,218	3,587,756	9,060,974	-
Unrestricted (deficit)	78,416,391	25,092,659	103,509,050	11,733,799
Total Net Assets	\$ 784,593,935	\$ 408,274,688	\$ 1,192,868,623	\$ 16,080,032

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Function/Program Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 9,052,498	\$ 1,634,183	\$ 307,924	\$ 14,951
Administrative services	8,423,416	-	-	-
Police	68,433,179	12,939,924	1,058,757	267,879
Fire	44,201,284	3,801,412	665,140	-
Libraries	11,765,263	453,572	434,266	-
Development	20,447,190	4,686,571	1,801,761	-
Public services and operations	5,402,333	1,150,449	167,059	-
Parks and recreation	26,134,622	3,685,465	142,432	-
Public works	27,944,393	104,028	196,542	9,371,570
Technology services	13,686,048	2,590,036	-	-
Other	7,401,221	-	-	-
Interest on Long-Term Debt	14,625,019	-	-	-
Unallocated Depreciation	102,199	-	-	-
Total governmental activities	257,618,665	31,045,640	4,773,881	9,654,400
Business-type Activities:				
Water and sewer	83,264,179	100,049,904	-	7,354,169
Environmental waste services	21,863,854	14,772,782	60,609	-
Municipal drainage	3,530,079	4,995,106	-	-
Civic center	7,311,505	2,693,882	-	-
Municipal golf course	1,000,257	846,096	-	-
Property management	39,291	72,567	-	-
Recreation revolving	3,096,166	3,080,725	-	-
Downtown center development	46,176	68,127	-	-
Total business-type activities	120,151,507	126,579,189	60,609	7,354,169
Total primary government	\$ 377,770,172	\$ 157,624,829	\$ 4,834,490	\$ 17,008,569
Component units:				
Economic Development	\$ 2,042,866	\$ 6,996,908	\$ -	\$ -
TIF Mall	5,365,165	-	-	-
TIF East Side	5,040,634	5,000	-	-
Total component units	\$ 12,448,665	\$ 7,001,908	\$ -	\$ -

General revenues:
Property taxes
Sales taxes
Mixed drink taxes
Hotel/Motel tax
Other taxes
Franchise fees
Investment income
Transfers
Total general revenues and transfers
Change in net assets
Net assets - beginning
Net assets - ending

Net (Expense) Revenue and Changes in Net Assets

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (7,095,440)		\$ (7,095,440)	
(8,423,416)		(8,423,416)	
(54,166,619)		(54,166,619)	
(39,734,732)		(39,734,732)	
(10,877,425)		(10,877,425)	
(13,958,858)		(13,958,858)	
(4,084,825)		(4,084,825)	
(22,306,725)		(22,306,725)	
(18,272,253)		(18,272,253)	
(11,096,012)		(11,096,012)	
(7,401,221)		(7,401,221)	
(14,625,019)		(14,625,019)	
(102,199)		(102,199)	
<u>(212,144,744)</u>		<u>(212,144,744)</u>	
	\$ 24,139,894	24,139,894	
	(7,030,463)	(7,030,463)	
	1,465,027	1,465,027	
	(4,617,623)	(4,617,623)	
	(154,161)	(154,161)	
	33,276	33,276	
	(15,441)	(15,441)	
	21,951	21,951	
	<u>13,842,460</u>	<u>13,842,460</u>	
	<u>13,842,460</u>	<u>(198,302,284)</u>	
			\$ 4,954,042
			(5,365,165)
			<u>(5,035,634)</u>
			<u>(5,446,757)</u>
123,054,998	-	123,054,998	8,636,083
62,122,119	-	62,122,119	-
1,003,932	-	1,003,932	-
-	4,909,061	4,909,061	-
360,115	-	360,115	-
23,022,217	6,721,464	29,743,681	-
10,683,028	1,411,359	12,094,387	360,659
13,217,146	(13,217,146)	-	-
<u>233,463,555</u>	<u>(175,262)</u>	<u>233,288,293</u>	<u>8,996,742</u>
21,318,811	13,667,198	34,986,009	3,549,985
763,275,124	394,607,490	1,157,882,614	12,530,047
<u>\$ 784,593,935</u>	<u>\$ 408,274,688</u>	<u>\$ 1,192,868,623</u>	<u>\$ 16,080,032</u>

**CITY OF PLANO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2008**

	General	Debt Service	Capital Reserve	Municipal Facilities	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 36,745,709	\$ 4,691,269	\$ 33,757,936	\$ 30,313,834	\$ 67,301,639	\$ 172,810,387
Investments	6,121,172	781,949	5,626,872	5,052,766	11,217,950	28,800,709
Receivables (net of allowance for uncollectibles)						
Taxes	11,838,978	584,981	-	-	-	12,423,959
Accounts	1,327,992	-	-	-	257,562	1,585,554
Notes	6,518,966	-	-	-	-	6,518,966
Accrued interest	86,303	11,029	79,332	71,265	158,220	406,149
Assessments	-	-	-	-	1,550,281	1,550,281
Other	-	-	-	225	2,266,673	2,266,898
Due from other funds	399,449	-	-	-	-	399,449
Due from other governments	26,814	7,726	-	-	584,130	618,670
Prepaid items and other assets	159,121	-	-	-	6,195	165,316
Total Assets	63,224,504	6,076,954	39,464,140	35,438,090	83,342,650	227,546,338
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	3,234,666	-	-	-	280,960	3,515,626
Accrued liabilities	8,028,201	-	-	-	41,996	8,070,197
Contracts payable	-	-	1,716,344	2,789,044	1,961,694	6,467,082
Deferred revenue	7,220,091	584,981	-	-	2,476,161	10,281,233
Due to other funds	-	-	-	-	122,420	122,420
Due to other governments	-	-	-	-	1,499,568	1,499,568
Retainage payable	-	-	301,674	277,009	604,771	1,183,454
Seized assets payable	-	-	-	-	262,791	262,791
Total Liabilities	18,482,958	584,981	2,018,018	3,066,053	7,250,361	31,402,371
Fund Balance:						
Reserved for encumbrances in:						
General fund	2,683,725	-	-	-	-	2,683,725
Capital reserve fund	-	-	4,878,179	-	-	4,878,179
Municipal facilities	-	-	-	15,894,695	-	15,894,695
Capital project funds	-	-	-	-	18,631,353	18,631,353
Reserved for:						
Prepaid items and other assets	159,121	-	-	-	6,195	165,316
Notes receivable	6,518,966	-	-	-	-	6,518,966
Debt service	-	5,491,973	-	-	-	5,491,973
Capital reserve	-	-	32,567,943	-	-	32,567,943
Capital projects	-	-	-	-	39,644,331	39,644,331
Municipal facilities	-	-	-	16,477,342	-	16,477,342
Unreserved, designated in:						
Special revenue funds	-	-	-	-	431,271	431,271
Unreserved, undesignated in:						
General fund	35,379,734	-	-	-	-	35,379,734
Special revenue funds	-	-	-	-	17,248,985	17,248,985
Capital project funds	-	-	-	-	130,154	130,154
Total Fund Balance	44,741,546	5,491,973	37,446,122	32,372,037	76,092,289	196,143,967
Total Liabilities and Fund Balance	\$ 63,224,504	\$ 6,076,954	\$ 39,464,140	\$ 35,438,090	\$ 83,342,650	\$ 227,546,338

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
 RECONCILIATION OF THE STATEMENT OF NET ASSETS
 OF GOVERNMENTAL FUNDS
 TO THE BALANCE SHEET
 AS OF SEPTEMBER 30, 2008**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance per balance sheet	\$ 196,143,967
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	875,113,297
Other long-term assets are not available to pay for current-period expenditures, and, therefore, are deferred in the funds	27,415,824
Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	65,064,150
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(379,143,303)
Net assets of governmental activities	<u><u>\$ 784,593,935</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	General	Debt Service	Capital Reserve	Municipal Facilities	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes-						
Property taxes	\$ 77,593,744	\$ 36,900,896	\$ -	\$ -	\$ -	\$ 114,494,640
Other taxes	63,266,376	-	-	-	-	63,266,376
Franchise fees	22,628,847	-	-	-	-	22,628,847
Fines and forfeitures	7,268,269	-	-	-	1,899,137	9,167,406
Contributions	-	-	7,386	14,951	3,823,595	3,845,932
Rollback taxes	-	-	1,134,487	-	-	1,134,487
Licenses and permits	5,235,695	-	-	-	-	5,235,695
Intragovernmental	7,276,212	-	-	-	-	7,276,212
Intergovernmental	714,197	-	-	-	2,718,446	3,432,643
Fees for services	10,723,589	-	-	-	2,764,992	13,488,581
Assessments	-	-	-	-	25,465	25,465
Investment income	2,244,622	941,997	1,490,916	1,324,993	2,418,271	8,420,799
Miscellaneous	1,577,363	248,301	4,875	2,700	76,671	1,909,910
Total revenues	<u>198,528,914</u>	<u>38,091,194</u>	<u>2,637,664</u>	<u>1,342,644</u>	<u>13,726,577</u>	<u>254,326,993</u>
EXPENDITURES						
Current operating:						
General government	675,020	-	-	-	203,655	878,675
Administrative services	8,208,019	-	-	-	-	8,208,019
Police	59,460,636	-	-	-	2,370,576	61,831,212
Fire	41,016,497	-	-	-	344,940	41,361,437
Libraries	10,349,410	-	-	-	117,630	10,467,040
Development	18,071,893	-	-	-	1,564,064	19,635,957
Public services and operations	4,441,702	-	-	-	935,579	5,377,281
Parks and recreation	20,643,848	-	-	-	37,970	20,681,818
Environmental waste services	-	-	-	-	53,576	53,576
Public works	5,820,027	-	-	-	-	5,820,027
Other	27,266,420	-	-	-	-	27,266,420
Capital outlay	2,377,311	-	14,186,442	16,231,533	21,884,698	54,679,984
Debt service:						
Principal retirement	-	23,510,000	-	-	-	23,510,000
Interest and fiscal charges	-	14,598,200	-	-	-	14,598,200
Total expenditures	<u>198,330,783</u>	<u>38,108,200</u>	<u>14,186,442</u>	<u>16,231,533</u>	<u>27,512,688</u>	<u>294,369,646</u>
Excess (deficiency) of revenues over (under) expenditures	198,131	(17,006)	(11,548,778)	(14,888,889)	(13,786,111)	(40,042,653)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	25,795,000	32,575,000	58,370,000
Premium on sale of bonds	-	206,475	-	235,744	483,196	925,415
Transfers in	9,669,342	547,804	13,500,000	-	559,587	24,276,733
Transfers out	(10,809,587)	-	-	-	-	(10,809,587)
Total other financing sources (uses)	<u>(1,140,245)</u>	<u>754,279</u>	<u>13,500,000</u>	<u>26,030,744</u>	<u>33,617,783</u>	<u>72,762,561</u>
Net change in fund balances	(942,114)	737,273	1,951,222	11,141,855	19,831,672	32,719,908
Fund balances-beginning	45,683,660	4,754,700	35,494,900	21,230,182	56,260,617	163,424,059
Fund balances-ending	<u>\$ 44,741,546</u>	<u>\$ 5,491,973</u>	<u>\$ 37,446,122</u>	<u>\$ 32,372,037</u>	<u>\$ 76,092,289</u>	<u>\$ 196,143,967</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - total governmental funds	\$ 32,719,908
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	18,990,605
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	6,019,758
The issuance of long-term debt (e.g. bonds, tax anticipation notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(35,573,586)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	15,799,491
Internal service funds are used by management to charge the costs of fleet management, property liability loss, health claims, office services and municipal warehouse to individual funds. The net expenses of certain activities of internal service funds is reported within governmental activities.	(16,630,332)
Grant revenue included in the special revenue funds which are used for the benefit of business-type activities. The net expenses of certain activities are reported within the business-type activities.	(7,033)
Change in net assets of governmental activities	<u>\$ 21,318,811</u>

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Adjustments- Budgetary Basis	Actual on a Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES:						
Taxes-						
Property taxes	\$ 77,466,721	\$ 77,641,257	\$ 77,593,744	\$ (1,134,487)	\$ 76,459,257	\$ (1,182,000)
Other taxes	62,220,054	60,333,172	63,266,376	-	63,266,376	2,933,204
Franchise fees	20,388,866	21,576,228	22,628,847	-	22,628,847	1,052,619
Fines and forfeitures	8,136,155	7,073,889	7,268,269	-	7,268,269	194,380
Licenses and permits	4,898,157	5,172,380	5,235,695	-	5,235,695	63,315
Intragovernmental	7,276,212	7,276,212	7,276,212	-	7,276,212	-
Intergovernmental	710,887	750,995	714,197	-	714,197	(36,798)
Fees for services	8,967,739	9,739,903	10,723,589	-	10,723,589	983,686
Investment income	2,918,908	2,867,498	2,244,622	-	2,244,622	(622,876)
Miscellaneous	1,009,525	1,248,206	1,577,363	-	1,577,363	329,157
Total Revenues	193,993,224	193,679,740	198,528,914	(1,134,487)	197,394,427	3,714,687
EXPENDITURES:						
General government	841,170	858,950	675,020	89,646	764,666	94,284
Administrative services	9,031,064	8,839,650	8,208,019	218,447	8,426,466	413,184
Police	63,255,777	61,326,332	59,460,636	199,486	59,660,122	1,666,210
Fire	42,570,616	40,993,553	41,016,497	227,319	41,243,816	(250,263)
Libraries	10,911,444	10,690,923	10,349,410	56,604	10,406,014	284,909
Development	21,295,456	20,815,611	18,071,893	667,006	18,738,899	2,076,712
Public services and operations	4,866,249	4,649,342	4,441,702	55,820	4,497,522	151,820
Parks and Recreation	22,901,255	22,106,626	20,643,848	445,579	21,089,427	1,017,199
Public works	6,106,267	6,205,297	5,820,027	74,510	5,894,537	310,760
Other	28,227,498	29,865,131	27,266,420	(122,426)	27,143,994	2,721,137
Capital outlay	2,254,500	3,115,519	2,377,311	771,734	3,149,045	(33,526)
Total Expenditures	212,261,296	209,466,934	198,330,783	2,683,725	201,014,508	8,452,426
Excess (Deficiency) Of Revenues Over Expenditures	(18,268,072)	(15,787,194)	198,131	(3,818,212)	(3,620,081)	12,167,113
OTHER FINANCING SOURCES (USES):						
Transfers in	9,341,995	9,669,342	9,669,342	-	9,669,342	-
Transfers out	(10,844,568)	(10,809,587)	(10,809,587)	-	(10,809,587)	-
Total Other Financing Sources (Uses)	(1,502,573)	(1,140,245)	(1,140,245)	-	(1,140,245)	-
Excess (Deficiency) Of Revenues And Other Sources Over Expenditures And Other Uses	(19,770,645)	(16,927,439)	(942,114)	(3,818,212)	(4,760,326)	12,167,113
FUND BALANCE, OCTOBER 1	45,683,660	45,683,660	45,683,660	-	39,496,934	-
FUND BALANCE, September 30	\$ 25,913,015	\$ 28,756,221	\$ 44,741,546	\$ (3,818,212)	\$ 34,736,608	\$ 12,167,113

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
 ADJUSTMENTS TO REVENUES, EXPENDITURES AND OTHER
 FINANCING USES FROM GAAP BASIS TO BUDGETARY BASIS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Deficiency of Revenues and Other Sources Under Expenditures and Other Uses General Fund
GAAP basis	\$ (942,114)
Revenues:	
Decrease due to rolled back taxes	(1,134,487)
Expenditures:	
Increase due to encumbrances	(2,683,725)
Budgetary basis	\$ (4,760,326)

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2008

Business-type Activities
Enterprise Funds

	Water and Sewer	Environmental Waste Services	Municipal Drainage	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 2,556,998	\$ 666,909	\$ 3,720,904	\$ 5,442,796	\$ 12,387,607	\$ 32,443,481
Investments	425,791	101,672	617,267	906,390	2,051,120	5,407,669
Receivables -						
Accounts	14,758,413	1,845,703	604,836	596,972	17,805,924	132,714
Accrued interest	6,005	1,434	8,706	12,783	28,928	76,272
Other	3,954	588,325	-	5,827	598,106	997
Interfund receivable	132,396	-	-	-	132,396	226,133
Due from other governments	-	-	-	-	-	29
Inventories	-	-	-	-	-	1,053,062
Prepaid expenses & other assets	515,887	675	-	28,161	544,723	160,687
Advances to other funds	280,892	-	-	-	280,892	-
Restricted assets:						
Revenue bond debt service-						
Cash and cash equivalents	177,121	-	1,811,868	-	1,988,989	-
Investments	29,523	-	-	-	29,523	-
Accrued interest receivable	416	-	6,613	-	7,029	-
Revenue bond reserve fund-						
Cash and cash equivalents	-	-	1,000,956	-	1,000,956	-
Investments	-	-	561,259	-	561,259	-
Revenue bond construction fund-						
Cash and cash equivalents	14,506,329	-	4,680,732	-	19,187,061	2,660,829
Investments	2,417,942	-	687,782	-	3,105,724	443,512
Accounts	66,621	-	-	-	66,621	-
Accrued interest receivable	34,103	-	11,001	-	45,104	6,256
Total current assets	<u>35,912,391</u>	<u>3,204,718</u>	<u>13,711,924</u>	<u>6,992,929</u>	<u>59,821,962</u>	<u>42,611,641</u>
Capital assets:						
Land	4,875,524	-	50,700	4,325,479	9,251,703	62,522
Buildings	1,367,813	8,581	52,921	13,821,672	15,250,987	5,753,870
Improvements other than buildings	461,672,160	-	-	2,053,248	463,725,408	-
Equipment	12,884,239	7,047,576	257,707	2,199,340	22,388,862	40,269,217
Furniture and fixtures	208,759	53,028	8,124	467,075	736,986	126,436
Rolling equipment	114,195	136,694	-	-	250,889	57,917,382
Drainage improvements	-	-	19,232,552	-	19,232,552	-
Construction in progress	35,415,038	-	12,572,371	-	47,987,409	-
Less accumulated depreciation	(170,981,222)	(6,563,902)	(3,268,920)	(14,559,729)	(195,373,773)	(70,708,711)
Total capital assets (net of accumulated depreciation)	<u>345,556,506</u>	<u>681,977</u>	<u>28,905,455</u>	<u>8,307,085</u>	<u>383,451,023</u>	<u>33,420,716</u>
Total noncurrent assets	<u>345,556,506</u>	<u>681,977</u>	<u>28,905,455</u>	<u>8,307,085</u>	<u>383,451,023</u>	<u>33,420,716</u>
Total assets	<u>\$ 381,468,897</u>	<u>\$ 3,886,695</u>	<u>\$ 42,617,379</u>	<u>\$ 15,300,014</u>	<u>443,272,985</u>	<u>\$ 76,032,357</u>

The notes to the financial statements are an integral part of this statement.

(continued)

CITY OF PLANO, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2008
(continued)

	Business-type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
	Water and Sewer	Environmental Waste Services	Municipal Drainage	Other Enterprise Funds	Total	
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 3,209,056	\$ 225,447	\$ 389,215	\$ 370,550	\$ 4,194,268	\$ 2,016,620
Accrued liabilities	876,327	650,951	93,953	544,304	2,165,535	1,393,182
Deferred revenue	-	-	-	674,466	674,466	-
Due to other funds	-	-	-	-	-	277,029
Interfund payable	-	358,529	-	-	358,529	-
Accrued interest payable	-	1,517	-	-	1,517	-
Customer deposits	2,358,938	-	-	205,897	2,564,835	-
Liability for compensated absences	-	102,206	-	89,468	191,674	-
Liability for insurance claims	-	-	-	-	-	6,302,190
Total current liabilities	<u>6,444,321</u>	<u>1,338,650</u>	<u>483,168</u>	<u>1,884,685</u>	<u>10,150,824</u>	<u>9,989,021</u>
Current liabilities payable from restricted assets:						
Contracts payable	168,093	-	-	-	168,093	-
Current portion of long-term debt	1,855,000	-	1,490,000	-	3,345,000	-
Liability for compensated absences	188,476	-	26,932	-	215,408	-
Accrued interest payable	19,941	-	395,522	-	415,463	-
Retainage payable	200,755	-	88,358	-	289,113	-
Total current liabilities payable from restricted assets	<u>2,432,265</u>	<u>-</u>	<u>2,000,812</u>	<u>-</u>	<u>4,433,077</u>	<u>-</u>
Total current liabilities	<u>8,876,586</u>	<u>1,338,650</u>	<u>2,483,980</u>	<u>1,884,685</u>	<u>14,583,901</u>	<u>9,989,021</u>
Noncurrent liabilities:						
Advance from other funds	-	280,892	-	-	280,892	-
Bonds payable	4,120,653	-	21,434,322	-	25,554,975	-
Liability for compensated absences	844,305	576,862	86,173	352,567	1,859,907	-
Liability for insurance claims	-	-	-	-	-	1,240,283
Total noncurrent liabilities	<u>4,964,958</u>	<u>857,754</u>	<u>21,520,495</u>	<u>352,567</u>	<u>27,695,774</u>	<u>1,240,283</u>
Total liabilities	<u>13,841,544</u>	<u>2,196,404</u>	<u>24,004,475</u>	<u>2,237,252</u>	<u>42,279,675</u>	<u>11,229,304</u>
NET ASSETS						
Invested in capital assets (net of related debt)	356,243,723	681,977	11,360,648	8,307,085	376,593,433	36,187,020
Restricted for:						
Capital projects	3,000,840	-	-	-	3,000,840	-
Debt service	207,060	-	3,380,696	-	3,587,756	-
Unrestricted	8,175,730	1,008,314	3,871,560	4,755,677	17,811,281	28,616,033
Total Net Assets	<u>\$ 367,627,353</u>	<u>\$ 1,690,291</u>	<u>\$ 18,612,904</u>	<u>\$ 13,062,762</u>	<u>\$ 400,993,310</u>	<u>\$ 64,803,053</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
 RECONCILIATION OF THE STATEMENT OF NET ASSETS
 OF PROPRIETARY FUNDS
 TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
 AS OF SEPTEMBER 30, 2008**

Amounts reported for business type activities in the statement of net assets are different because:

Total net assets of proprietary funds	\$ 400,993,310
Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds.	
The net receivable due from activities of the internal service funds which are reported within business-type activities.	7,281,378
Net assets of business type activities	<u>\$ 408,274,688</u>

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Business-type Activities Enterprise Funds				Total	Governmental Activities- Internal Service Funds
	Water and Sewer	Environmental Waste Services	Municipal Drainage	Other Enterprise Funds		
Operating revenues:						
Charges for sales and services:						
Service charges	\$ 97,793,046	\$ 12,961,384	\$ 4,976,304	\$ 6,701,348	\$ 122,432,082	\$ 60,613,214
Franchise fees	-	6,721,464	-	-	6,721,464	-
Sale of trash bags	-	767,035	-	-	767,035	-
Penalties	1,339,659	-	-	-	1,339,659	-
Taps and meters	218,979	-	-	-	218,979	-
Construction water	245,036	-	-	-	245,036	-
Contributions	-	20,973	-	-	20,973	-
Miscellaneous charges	334,992	970,329	15	49,504	1,354,840	521,097
Total operating revenues	<u>99,931,712</u>	<u>21,441,185</u>	<u>4,976,319</u>	<u>6,750,852</u>	<u>133,100,068</u>	<u>61,134,311</u>
Operating expenses:						
Personal services	8,374,180	5,784,886	1,409,948	4,268,001	19,837,015	8,306,390
Contractual services	7,749,159	7,596,694	684,861	4,775,517	20,806,231	12,639,353
Supplies	1,735,473	311,351	144,993	1,230,579	3,422,396	8,486,547
Claims expense	-	-	-	-	-	19,556,864
Depreciation	12,315,755	350,873	386,275	769,728	13,822,631	7,160,997
Landfill services	-	7,177,078	-	-	7,177,078	-
Wastewater treatment	18,973,500	-	-	-	18,973,500	-
Charges in lieu of taxes	6,458,893	817,319	-	-	7,276,212	-
Water supply	26,973,343	-	-	-	26,973,343	-
Other post employment benefits	-	-	-	-	-	23,934,554
Miscellaneous	418,504	127,017	9,146	118,923	673,590	48,740
Total operating expenses	<u>82,998,807</u>	<u>22,165,218</u>	<u>2,635,223</u>	<u>11,162,748</u>	<u>118,961,996</u>	<u>80,133,445</u>
Operating income (loss)	<u>16,932,905</u>	<u>(724,033)</u>	<u>2,341,096</u>	<u>(4,411,896)</u>	<u>14,138,072</u>	<u>(18,999,134)</u>
Nonoperating revenues (expenses):						
Investment income	693,836	9,134	494,966	213,423	1,411,359	2,266,174
Gain on property disposition	-	-	-	-	-	433,426
Interest and fiscal charges	(263,211)	(56,094)	(928,397)	-	(1,247,702)	-
Hotel/motel tax	-	-	-	4,909,061	4,909,061	-
Intergovernmental revenues	-	-	-	-	-	882
Miscellaneous	118,192	53,061	18,787	10,545	200,585	30,087
Total nonoperating revenue (expenses)	<u>548,817</u>	<u>6,101</u>	<u>(414,644)</u>	<u>5,133,029</u>	<u>5,273,303</u>	<u>2,730,569</u>
Income (loss) before contributions and transfers	17,481,722	(717,932)	1,926,452	721,133	19,411,375	(16,268,565)
Contributions from developers	7,354,169	-	-	-	7,354,169	-
Transfers in	-	100,000	-	-	100,000	-
Transfers out	(11,860,286)	-	(330,659)	(1,126,201)	(13,317,146)	(250,000)
Change in net assets	12,975,605	(617,932)	1,595,793	(405,068)	13,548,398	(16,518,565)
Total net assets-beginning	354,651,748	2,308,223	17,017,111	13,467,830	387,444,912	81,321,618
Total net assets-ending	<u>\$ 367,627,353</u>	<u>\$ 1,690,291</u>	<u>\$ 18,612,904</u>	<u>\$ 13,062,762</u>	<u>\$ 400,993,310</u>	<u>\$ 64,803,053</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN NET ASSETS OF PROPRIETARY FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Amounts reported for business-type activities in the statement of activities are different because:

Net change in net assets - total proprietary funds	\$13,548,398
<p>Internal service funds are used by management to charge the costs of fleet management, property liability loss, health claims, office services and municipal warehouse to individual funds.</p>	
The net revenues of certain activities of internal service funds is reported within business-type activities.	111,767
The net expenses of grant activities of special revenue funds is reported within business-type activities	7,033
Change in net assets of business-type activities	<u><u>\$13,667,198</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Business-type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
	Water and Sewer	Environmental Waste Services	Municipal Drainage	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 101,461,629	\$ 14,595,273	\$ 4,999,769	\$ 7,170,510	\$ 128,227,181	\$ 61,230,999
Franchise fees	-	6,721,464	-	-	6,721,464	-
Charges in lieu of taxes	(6,458,893)	(817,319)	-	-	(7,276,212)	-
Cash payments to suppliers for goods and services	(54,625,205)	(14,919,554)	(744,628)	(6,239,434)	(76,528,821)	(63,754,007)
Cash payments to employees for services	(8,331,087)	(5,582,958)	(1,327,268)	(4,198,841)	(19,440,154)	(8,195,524)
Net cash provided (used) by operating activities	32,046,444	(3,094)	2,927,873	(3,267,765)	31,703,458	(10,718,532)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Advances from other funds	(7,484,654)	285,984	-	-	(7,198,670)	277,029
Repayments to other funds	8,210	(627,771)	-	-	(619,561)	(30,867)
Hotel/motel tax	-	-	-	4,909,061	4,909,061	-
Transfers to other funds	(11,860,286)	-	(330,659)	(1,126,201)	(13,317,146)	(4,583,205)
Transfers from other funds	-	100,000	-	-	100,000	4,333,205
Grant receipts	-	-	-	-	-	882
Net cash provided (used) by noncapital financing activities	(19,336,730)	(241,787)	(330,659)	3,782,860	(16,126,316)	(2,956)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(9,910,226)	(10,700)	(2,116,171)	(299,688)	(12,336,785)	(13,207,709)
Bond proceeds	-	-	2,085,000	-	2,085,000	-
Bond issuance costs paid	-	-	(43,266)	-	(43,266)	-
Proceeds from sale of equipment	-	-	-	-	-	459,837
Principal paid on long-term debt	(2,280,000)	-	(1,390,000)	-	(3,670,000)	-
Interest and fees paid on long-term debt	(319,094)	(56,094)	(955,499)	-	(1,330,687)	-
Contributions by developers	1,431,272	-	35,000	-	1,466,272	-
Proceeds from insurance damages	116,892	53,061	8,534	10,545	189,032	30,087
Proceeds from sale of maps	1,300	-	247	-	1,547	-
Net cash used by capital and related financing activities	(10,959,856)	(13,733)	(2,376,155)	(289,143)	(13,638,887)	(12,717,785)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities	(2,873,256)	(101,672)	(1,866,308)	(906,390)	(5,747,626)	(5,851,181)
Proceeds from sale and maturities of investment securities	11,973,048	687,551	8,365,959	3,995,826	25,022,384	41,990,614
Interest on investments	763,774	15,183	556,839	242,696	1,578,492	2,638,114
Net cash provided by investing activities	9,863,566	601,062	7,056,490	3,332,132	20,853,250	38,777,547
Net increase in cash and cash equivalents	11,613,424	342,448	7,277,549	3,558,084	22,791,505	15,338,274
Cash and cash equivalents, October 1	5,627,024	324,461	3,936,911	1,884,712	11,773,108	19,766,036
Cash and cash equivalents, September 30	\$ 17,240,448	\$ 666,909	\$ 11,214,460	\$ 5,442,796	\$ 34,564,613	\$ 35,104,310
Classified as:						
Current assets	\$ 2,556,998	\$ 666,909	\$ 3,720,904	\$ 5,442,796	\$ 12,387,607	\$ 32,443,481
Restricted assets	14,683,450	-	7,493,556	-	22,177,006	2,660,829
Total	\$ 17,240,448	\$ 666,909	\$ 11,214,460	\$ 5,442,796	\$ 34,564,613	\$ 35,104,310
Non-cash disclosure:						
Developers contributions	\$ 5,922,897	\$ -	\$ -	\$ -	\$ 5,922,897	\$ -
Loss on property disposition	-	-	-	-	-	(26,411)
Decrease in fair value of investments	(6,546)	(1,506)	(15,486)	(7,330)	(30,868)	(89,445)
Transfer in (out) of capital assets	(60,643)	(347,367)	(741)	(43,260)	(452,011)	16,973

The notes to the financial statements are an integral part of this statement.

(continued)

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(continued)

	Business-type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
	Water and Sewer	Environmental Waste Services	Municipal Drainage	Other Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ 16,932,905	\$ (724,033)	\$ 2,341,096	\$ (4,411,896)	\$ 14,138,072	\$ (18,999,134)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	12,315,755	350,873	386,275	769,728	13,822,631	7,160,997
Change in assets and liabilities:						
(Increase) decrease in-						
Accounts receivable	1,651,768	(93,203)	23,450	57,969	1,639,984	(80,955)
Other accounts receivable	(1,994)	(31,245)	-	(48,923)	(82,162)	343
Due to other funds	-	-	-	-	-	177,244
Due from other governments	-	-	-	-	-	56
Prepaid expenses & other assets	850,425	231,086	204	6,406	1,088,121	26,139
Inventories	-	-	-	-	-	(75,698)
Increase (decrease) in-						
Accounts payable	374,349	61,500	94,168	(71,898)	458,119	130,293
Accrued liabilities	81,265	90,114	37,534	40,885	249,798	110,866
Liability for compensated absences	(38,172)	111,814	45,146	29,986	148,774	-
Customer deposits	(119,857)	-	-	59,328	(60,529)	-
Deferred revenue	-	-	-	300,650	300,650	-
Liability for insurance claims	-	-	-	-	-	831,317
Total adjustments	15,113,539	720,939	586,777	1,144,131	17,565,386	8,280,602
Net cash provided (used) by operating activities	\$ 32,046,444	\$ (3,094)	\$ 2,927,873	\$ (3,267,765)	\$ 31,703,458	\$ (10,718,532)

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AS OF SEPTEMBER 30, 2008**

	<u>Pension Trust Fund</u>	<u>Postemployment Benefits Trust Fund</u>	<u>Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,838,174	\$ 2,956,085	\$ 3,628,001
Investment pool	-	-	604,721
U.S. government treasury notes	1,052,890	-	-
Other U.S. government obligations	6,579,640	7,536,290	-
Corporate bonds	10,877,035	1,240,064	-
Common stocks	30,497,155	9,390,062	-
Foreign equities	2,696,170	-	-
Mutual funds	6,250,380	176,632	-
Real estate investment trusts	820,410	-	-
Accrued interest	325,745	-	8,529
Pending trades accrued interest	-	99,503	-
Due from brokers	1,226,913	-	-
Total Assets	<u>63,164,512</u>	<u>21,398,636</u>	<u>4,241,251</u>
LIABILITIES			
Accounts payable	-	35,408	-
Payable from pending trades	-	6,436	-
Due to brokers	1,331,733	-	-
Developers' escrow liability	-	-	4,184,550
Unclaimed property payable	-	-	56,701
Total Liabilities	<u>1,331,733</u>	<u>41,844</u>	<u>4,241,251</u>
NET ASSETS			
Held in trust for pension benefits	61,832,779	-	-
Held in trust for other postemployment benefits	-	21,356,792	-
Total Net Assets	<u>\$ 61,832,779</u>	<u>\$ 21,356,792</u>	-

The notes to the financial statements are an integral part of this statement.

**CITY OF PLANO, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Pension Trust Fund	Postemployment Benefits Trust Fund
ADDITIONS		
Contributions	\$ 3,421,348	\$ 23,934,554
Investment return:		
Net decrease in fair value of investments	(11,973,778)	(1,838,431)
Interest	1,023,172	191,714
Dividends	1,062,371	69,990
Miscellaneous	4,134	
Total investment return	<u>(9,884,101)</u>	<u>(1,576,727)</u>
Less investment expenses:		
Trustee fees	42,837	14,170
Advisory fees	147,219	52,278
Audit fee	28,286	-
Actuary fee	44,704	-
Total investment expenses	<u>263,046</u>	<u>66,448</u>
Net investment loss	<u>(10,147,147)</u>	<u>(1,643,175)</u>
Total additions, net	<u>(6,725,799)</u>	<u>22,291,379</u>
 DEDUCTIONS		
Benefits	1,686,154	934,548
Miscellaneous expenses	350	39
Total deductions	<u>1,686,504</u>	<u>934,587</u>
 Net increase (decrease)	 (8,412,303)	 21,356,792
 Net assets held in trust - beginning of year	 <u>70,245,082</u>	 <u>-</u>
Net assets held in trust - end of year	<u>\$ 61,832,779</u>	<u>\$ 21,356,792</u>

The notes to the financial statements are an integral part of this statement.

CITY OF PLANO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Plano, Texas, ("City") was originally incorporated in 1873 and chartered on June 10, 1961, and is a municipal corporation incorporated under provisions of H.B. 901 of the Texas Legislature. The City operates under a Council-Manager form of government and provides such services as authorized by its charter to advance the welfare, health, comfort, safety and convenience of the City and its inhabitants.

The financial statements of the City have been prepared to conform to generally accepted accounting principles (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance. The more significant accounting and reporting policies and practices used by the City are described below.

A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GASB Statement No. 34, as amended, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component units on the statement of net assets and statement of activities. Significantly, the City's statement of net assets includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary fund types and the pension trust and postemployment benefits trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Management's Discussion and Analysis provides an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended General Fund budget with actual results.

B. Reporting Entity

The City is governed by an elected mayor and seven-member council. As required by GAAP, these financial statements present the City (the primary government) and its component units, entities for which the

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the City.

Discretely Presented Component Units. The Plano Economic Development Board (Board) is legally separate from the City and the City does not appoint a majority of its governing board; however, the City Manager is a designated position on the Board and City Council appoints one member who must be a Council Member to serve on the Board. The City Council contracts with the Board to provide marketing and economic development services to the City and the City provides for custody and investment of the Board's assets, various administrative/personnel/legal services and the majority of funding for the Board's budget. The Board is reported as an enterprise fund. There are no separately issued financial statements of the Board. The Board is presented as a discrete component unit.

Tax Increment Financing Units. The City has established two tax increment financing units (TIF) for project improvements within the City. The first is an agreement by and between the City of Plano and the Taubman Realty Group Limited Partnership for the development of a regional mall. The second relates to financing for public improvements associated with the future development of East Plano. Both projects were approved by the City Council in fiscal year 1999. The Tax Increment Financing Units are legally separate from the City and the City does not appoint a majority of its governing board for the first TIF and does appoint a majority of its governing board for the second TIF; however, the entities are fiscally dependent on the City. These projects had limited activity during fiscal year 2008 and are presented as discrete component units as the City has determined it would be misleading to exclude them. Separate financial statements for these entities are not available.

Related Organization. The City's mayor appoints the board of the Plano Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

The financial statements are formatted to allow the user to clearly distinguish between primary government and its discretely presented component units.

C. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements, the focus is either the City as a whole or major individual funds (within the fund financial statements). The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Police, Fire, Public Works, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property, sales and franchise taxes, and interest income).

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund, debt service fund, capital reserve fund and municipal facilities fund. The major enterprise funds are the water and sewer fund, environmental waste services fund and municipal drainage fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a separate column in the fund financial statements.

Internal Service Funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government wide level. To the extent possible, the cost of these services are reflected in the appropriate functional activity (Police, Fire, Public Works, etc.). The City's Internal Service Funds consist of the equipment maintenance, office services, municipal warehouse, technology services, property liability loss and health claims funds.

The City's Fiduciary Funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, individuals, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's Fiduciary Funds consist of funds that account for the pension trust, postemployment benefits trust, developer's escrow and unclaimed property.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and proprietary categories, as well as the fiduciary funds, (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund level 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 government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligation has matured and is due and payable shortly after year end as required by GASB Interpretation No. 6.

Ad valorem, franchise and sales tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are recorded as revenues when received in cash, as the resulting receivable is not measurable. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Intergovernmental grant revenues are recognized when all eligibility requirements

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

have been met. Additionally, funds received in advance for which all eligibility requirements have not been met are considered deferred revenue.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as needed.

Paving assessments in the non-major governmental funds-Capital Projects are recorded as revenues when cash is received. The assessments are due in annual installments, including interest, over a four- to eight-year period. The assessments are measurable when assessed but are generally not available for use when assessed. Unallocated assessments are recorded as deferred revenue.

Business type activities and all proprietary funds, and the pension trust and postemployment benefits trust funds, are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer, environmental waste services, municipal drainage, civic center, municipal golf course, property management and recreation revolving funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major funds are used by the City:

1. Governmental Funds:

The focus of Governmental Fund measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major Governmental Funds of the City:

- a. General Fund accounts for several of the City's primary services (Police, Fire, Public Works, Libraries, Parks and Recreation, etc.) and is the primary operating unit of the City.
- b. Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- c. Capital reserve fund accounts for the financing of betterments and renewals to the City's infrastructure and for public improvements not requiring general obligation bond financing.
- d. Municipal Facilities fund accounts for the financing and construction of various City facilities. Funds are provided primarily through bond sales and interest earnings.
- e. Other Governmental Funds is a summarization of all of the non-major governmental funds.

2. Enterprise Funds:

The focus of proprietary funds measurement is upon determination of operating income, changes in net assets, financial position, and cash flows, which is similar to businesses. The following is a description of the major Enterprise Funds of the City:

- a. Water and Sewer Fund accounts for the operation of the City's water and sewer utility. Activities of the fund include administration, operation and maintenance of the water and sewer system and billing and collection activities. This fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the Fund.

- b. Environmental Waste Services Fund accounts for the provision of solid waste collection and disposal services to customers who are billed monthly at a rate sufficient to cover the cost of providing such services.
- c. Municipal Drainage Fund accounts for the City's storm water management program.
- d. Other Enterprise Funds is a summarization of all of the non-major enterprise funds.

3. Other Fund Types:

The City additionally reports for the following Fund types:

- a. Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, generally on a cost reimbursement basis.
- b. Agency Funds are used to account for assets held by the City in an agency capacity for individuals, local law enforcement agencies or developers. Agency funds record only assets and liabilities and therefore have no measurement focus.
- c. Trust Funds are used to account for the accumulation of resources to be used for the retirement benefit payments to employees of the City and for postemployment health benefits.

E. Cash, Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits, escrow cash with fiscal agent and short-term investments with original maturities of three months or less from the date of acquisition.

Cash in all funds, excluding the City's payroll account, is combined into one bank account in order to maximize investment opportunities. Although individual funds may experience temporary overdraft liabilities, a positive balance is maintained in combined cash.

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund advances or interfund receivable/payable". All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

G. Inventories and Prepaid Items

Inventories of supplies are maintained at the City warehouse for use by all the City funds and are accounted for by the consumption method. They are valued at the lower of moving average (i.e., perpetual inventory) cost or market. Unit prices are adjusted as new inventory is added, thus the moving average cost closely represents the cost of goods sold. Other inventories are stated at the lower of cost (first-in, first-out method) or market.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Prepaid items are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year. A reserve for prepaid items is recognized in the governmental funds in the fund level financial statements to signify that a portion of fund balance is not available for other subsequent expenditures.

H. Interfund Transactions and Receivables and Payables

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Long-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts and fund balance is reserved for these amounts. All legally authorized transfers are appropriately treated as transfers and are included in the results of operations of both governmental and proprietary funds. Nonrecurring or non-routine transfers of equity between funds – for example, contribution of capital assets to a proprietary fund or transfers of residual balances of discontinued funds to other funds – are accounted for as transfers.

I. Capital Assets

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. Public domain (infrastructure) capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems have been recorded at estimated historical cost. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. For fiscal year 2008, \$85,239 of such interest costs were capitalized in the Municipal Drainage Fund.

Property, plant, and equipment of the primary government and business-type activities, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15 – 40
Improvements other than buildings	20 – 50
Equipment	2 – 20
Furniture and fixtures	5 – 15
Drainage improvements	50
Meters	10
Streets	30 – 50
Alleys	25
Storm/sanitary sewer	50
System infrastructure	50

J. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. Upon termination, an employee is reimbursed for accumulated vacation. Police and firemen are reimbursed upon termination up to a maximum of 90 days accumulated sick leave as required by State Civil Service law. All other full time City employees with five or more years of service are reimbursed up to 90 days accumulated sick leave upon termination. Sick leave in excess of 90 days is not paid upon termination, but will be paid only upon illness while in the employ of the City. Accumulated vacation and sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements in accordance with GASB Interpretation No. 6.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

K. Federal and State Grants

Grants and shared revenues are generally accounted for within the fund financed. Federal grants include Community Development Block Grant funds, Department of Homeland Security Grant and several police grants, which are accounted for within the Grant Fund (Special Revenue). Various state grants are included in the General Fund, Capital Projects Funds (Park Improvements) and Proprietary Funds (Equipment Maintenance). Grant revenues received for purposes normally financed through the general government are accounted for within the General Fund and those for specific purposes in the proprietary fund.

L. Long-Term Debt

General Obligation Bonds issued for general government capital projects that are to be repaid from tax revenues of the City are recorded in the government-wide statement of net assets. Revenue Bonds issued for Proprietary Fund assets that are to be repaid by the Proprietary Fund are recorded in the Proprietary Fund.

Revenue Bonds have been issued to fund capital projects of Proprietary Funds. Such bonds are to be repaid from the net revenues of the applicable Proprietary Fund. To date, Revenue Bonds have been issued for water and wastewater purposes and for municipal drainage improvements. Tax Anticipation Notes have been issued to fund permanent public improvements related to public safety communications and network infrastructure in Internal Service Funds. Such notes are to be repaid from tax revenues of the City and are recorded in the government-wide Statement of Net Assets.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium or discount. Deferred gains and losses are amortized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. In the fund financial statements, issuance costs, as well as bond premiums and discounts are recognized when incurred.

M. Retirement Plans

The City has two separate retirement plans covering substantially all employees. It is the City's policy to record the cost for such plans on the accrual basis (See Note 5).

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$379,143,303 difference are as follows:

Bonds payable	\$310,580,000
Tax anticipation notes	26,405,000
Less: Issuance discount (to be amortized as interest expense)	(163,886)
Add: Issuance premium (to be amortized as interest expense)	8,472,792
Less: Deferred charges from refunding and bond issuance costs	(7,195,266)
Accrued interest payable	1,224,874
Claims and judgments	7,542,473
Compensated absences	<u>32,277,316</u>
Net adjustment to reduce fund balance – total governmental funds	
To arrive at net assets – governmental activities	<u>\$379,143,303</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of the reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.” The details of the \$18,990,605 difference are as follows:

Capital outlay	\$ 54,679,984
Depreciation expense	(34,153,660)
Other capital related transactions	<u>(1,535,719)</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$18,990,605</u>

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Another element of the reconciliation states “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$(35,573,589) difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (41,295,000)
Issuance of tax anticipation notes	(17,075,000)
Add premium	(925,415)
Less bond issue costs	211,829
Principal repayments:	
General obligation debt	23,510,000
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	\$ (35,573,586)

The reconciliation also states “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$(2,103,180) difference are as follows:

Changes in:	
Compensated absences	\$(1,858,118)
Accrued interest	(662,131)
Amortization of bond discount / deferred charge on refunding	(729,708)
Amortization of bond premium	1,153,190
Record change in net pension asset	(6,413)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	\$ (2,103,180)

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

The City Charter contains the following requirements, which are adhered to by the City Council, regarding preparation of the annual budget:

- The City Manager, between 60 and 90 days prior to October 1 of each fiscal year, shall submit to the Council a proposed budget. Such budget shall provide a complete financial plan for the fiscal year.
- At the meeting of the City Council at which the budget is submitted, the City Council shall fix the time and place of a public hearing on the budget and shall cause to be published in the official newspaper of the City of Plano, a notice of the hearing setting forth the time and place thereof at least five days before the date of such hearing.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

- The budget shall be finally adopted no later than 15 days prior to the beginning of the fiscal year and should the City Council fail to so adopt a budget, the then existing budget together with its tax-levying ordinance and its appropriation ordinance, shall be deemed adopted for the ensuing fiscal year.

The City Council approves annual appropriations for operations and interfund transfers for all operating and debt service funds. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. The City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. During the year, there were \$161,549 in appropriation increases for the General Fund. Funds with operating appropriations and interfund transfers set by ordinance include the General Fund and Debt Service Fund. During the year, appropriations are adjusted as a result of re-estimates by the departments. For budgetary purposes, unencumbered appropriations lapse at fiscal year-end.

The Budgetary Comparison Statement, included in the basic financial statements presents a comparison of budgetary data to actual results of operations for the General Fund, for which an annual operating budget is legally adopted. This fund utilizes the same basis of accounting for both budgetary purposes and actual results, with the following exceptions:

The portion of ad valorem tax revenues in the General Fund from “rolled back” tax payments (those taxes, up to five years back, on properties previously taxed at special use exemption values and currently changed to full values) are excluded from the budgetary basis tax revenues and from the general governmental expenditures.

The General Fund encumbrances are added to the actual expenditures for budgetary comparison.

B. Fund Deficits and Budget Compliance:

The Office Services net deficit of \$(291,443) will require adjustments to the billing rate. The TIF Mall Discretely Presented Component Unit deficit of \$(5,742,533) will be funded from future ad-valorem taxes received from the creation of reinvestment zones and the establishment of tax increment financing agreements with the City of Plano, Plano Independent School District, Collin County and Collin County Community College District.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

IV. DETAILED NOTES ON ALL FUNDS

1. DEPOSITS AND INVESTMENTS:

Deposits

Pursuant to provisions of both the Texas Public Funds Investment Act and the Public Funds Investment Policy of the City of Plano, Texas (City), all deposits of the City that exceed the federal depository insurance coverage level are collateralized with securities held by a third party custodian and pledged to the City in an amount not less than 102% (on a market value basis) of the City's deposit of public funds and any accrued interest.

At September 30, 2008, the carrying amount of the City's demand deposits was \$28,799,164, which includes component unit deposits of \$1,732,939. The bank balance was \$29,232,671. At September 30, 2008, the City's cash on hand totaled \$104,978. At September 30, 2008, the carrying value and the bank balance of the City's non-negotiable certificates of deposit (CD's) was \$16,500,000. At September 30, 2008 the carrying value of cash held in trust by a bank trust department for the City's Pension Trust Fund and Postemployment Benefit Trust Fund was \$5,794,259.

Investments

At September 30, 2008, the City's investment balances were as follows:

Investment type	Fair Value		Total	Weighted Avg Maturity (Years) ^a
	Primary Government	Component Units		
U.S. Agencies	\$25,497,089	\$1,632,460	\$27,129,549	0.28
Texas Local Government Investment Pool – TexPool	218,936,311	14,017,516	232,953,827	.00213
Total	\$244,433,400	\$15,649,976	\$260,083,376	.28213
Investment Trust Funds				
Retirement Security Plan:				
U.S. Treasuries			\$1,052,890	2.13
Government Agencies			6,579,640	3.44
Corporate Obligations			10,877,035	4.11
Equities:				
Common Stocks			30,497,155	N/A
Foreign Equities			2,696,170	N/A
CTF/Mutual Funds			6,250,380	N/A
Real Estate Investment Trusts			820,410	N/A
Postemployment Benefit:				
Government Agencies			7,536,290	2.57
Corporate Obligations			1,240,064	3.42
Equities:				
Common Stocks			9,566,694	N/A
Total Investment Trust Funds:			77,116,728	
Total Investments			\$337,200,104	

^a Fair value basis

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Investments in the Retirement Security Plan, the City's Pension Trust Fund, are held by a bank trust department. Investments in the Postemployment Benefit Trust Fund are held by a bank trust department.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from increasing interest rates, the City's investment policy establishes the portfolio's maximum average dollar-weighted maturity of no more than two and one-half years. By policy, the City will not directly invest in securities maturing more than five years from the date of purchase.

Credit Risk. The City's investment policy, in conjunction with state law, specifies the type of credit rating of all authorized investments. The City's investments in U.S. Agency securities (FHLB, FNMA, FHLMC, and FFCB) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The investment in the Texas Local Government Pool (TexPool) carried a credit rating of AAA by Standard & Poor's as of September 30, 2008.

Concentration of Credit Risk. With the exception of U.S. Treasury securities, the City's investment policy limits the amount that may be invested in any one issuer to 50% of the total investment portfolio. As of September 30, 2008, 5% or more of the City's total investments are in: Home Loan Mortgage Corporation securities (6.01%) on a fair value basis.

2. PROPERTY TAXES:

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. The property taxes attach as an enforceable lien on property as of January 1. Appraised values are established by the Central Appraisal District of Collin County at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value for the tax roll of January 1, 2007, upon which the original 2008 levy was based, was \$24,511,500,675. Subsequent adjustments increased this value to \$24,616,962,094.

Taxes are due October 1 and become delinquent after the following January 31. Penalty and interest is charged at 7% on delinquent taxes beginning February 1, and increases each month to 18% on July 1.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the tax levy is billed. Current year revenues recognized are those ad valorem taxes collected within the current period or soon enough thereafter to pay current liabilities, generally thirty days after year-end. Current tax collections for the year ended September 30, 2008, were 99.3% of the tax levy.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The tax rate to finance general governmental services, including debt service, for the year ended September 30, 2008, was \$0.4735 (\$0.3210 for general government and \$0.1525 for debt service) per \$100 of assessed valuation. Thus the City has a tax margin of approximately \$2.0265 per \$100 and could have levied up to approximately \$498,862,737 in additional taxes from the present assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City, at its own expense, requires annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals, and, if necessary, legal action. Under this system, the City sets tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the tax rate of the previous year.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

3. RECEIVABLES:

Receivables at September 30, 2008 for the government's individual major funds and non-major, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, consist of the following:

	General	Debt Service	Capital Reserve	Municipal Facilities	Water & Sewer	Environmental Waste	Municipal Drainage	Aggregate Remaining Funds	Total
Receivables:									
Property Taxes	\$ 1,968,077	\$ 1,032,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,810
Sales Taxes	10,348,095	-	-	-	-	-	-	-	10,348,095
Mixed Drink Taxes	259,545	-	-	-	-	-	-	-	259,545
Accounts	1,327,992	-	-	-	14,987,929	1,857,515	612,456	974,144	19,760,036
Accrued Interest	86,303	11,029	79,332	71,265	40,524	1,434	26,320	247,275	563,482
Assessments	-	-	-	-	-	-	-	1,550,281	1,550,281
Notes	6,518,966	-	-	-	-	-	-	-	6,518,966
Other	-	-	-	225	3,954	588,325	-	2,292,857	2,885,361
Gross Receivables	20,508,978	1,043,762	79,332	71,490	15,032,407	2,447,274	638,776	5,064,557	44,886,576
Less: Allowance for Uncollectibles	(736,739)	(447,752)	-	-	(162,895)	(11,812)	(7,620)	-	(1,366,818)
Net total Receivables	19,772,239	596,010	79,332	71,490	14,869,512	2,435,462	631,156	5,064,557	43,519,758

The Enterprise Fund accounts receivable includes unbilled charges for services (\$7,487,792) rendered at September 30, 2008.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

4. CAPITAL ASSETS:

Capital asset activity for the year ended September 30, 2008 was as follows:

Primary Government

	Balance at Beginning Of Year	Additions And Transfers	Retirements And Transfers	Balance at End Of Year
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 104,752,983	2,238,025	-	106,991,008
Construction in progress	165,582,451	52,251,334	(37,123,434)	180,710,351
Public art	1,378,000	270,740	-	1,648,740
Total capital assets, not being depreciated	271,713,434	54,760,099	(37,123,434)	289,350,099
Capital assets, being depreciated:				
Buildings	100,886,652	921,403	-	101,808,055
Improvements other than buildings	78,670,633	6,573,438	-	85,244,071
Equipment	155,784,861	28,004,494	(5,850,143)	177,939,212
Infrastructure	859,244,084	20,638,973	-	879,883,057
Total capital assets being depreciated	1,194,586,230	56,138,308	(5,850,143)	1,244,874,395
Less accumulated depreciation for:				
Buildings	(58,666,284)	(4,497,107)	-	(63,163,391)
Improvements other than buildings	(47,911,914)	(2,841,469)	-	(50,753,383)
Equipment	(123,199,873)	(12,841,451)	4,288,013	(131,753,311)
Infrastructure	(358,885,767)	(21,134,630)	-	(380,020,397)
Total accumulated depreciation	(588,663,838)	(41,314,657)	4,288,013	(625,690,482)
Total capital assets, being depreciated, net	605,922,392	14,823,651	(1,562,130)	619,183,913
Governmental activities capital assets, net	\$ 877,635,826	69,583,750	(38,685,564)	908,534,012

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

	Balance at Beginning Of Year	Additions And Transfers	Retirements And Transfers	Balance at End Of Year
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 9,248,629	3,074	-	9,251,703
Construction in progress	41,356,307	11,272,199	(4,641,097)	47,987,409
Total capital assets, not being depreciated	50,604,936	11,275,273	(4,641,097)	57,239,112
Capital assets, being depreciated:				
Buildings	15,191,679	59,308	-	15,250,987
Improvements other than buildings	453,091,507	10,633,901	-	463,725,408
Drainage improvements	19,088,206	144,346	-	19,232,552
Equipment	23,263,321	572,572	(459,156)	23,376,737
Total capital assets being depreciated	510,634,713	11,410,127	(459,156)	521,585,684
Less accumulated depreciation for:				
Buildings	(11,838,284)	(745,459)	-	(12,583,743)
Improvements other than buildings	(150,441,828)	(11,375,855)	-	(161,817,683)
Drainage improvements	(2,614,531)	(382,993)	-	(2,997,524)
Equipment	(16,663,644)	(1,318,324)	7,145	(17,974,823)
Total accumulated depreciation	(181,558,287)	(13,822,631)	7,145	(195,373,773)
Total capital assets, being depreciated, net	329,076,426	(2,412,504)	(452,011)	326,211,911
Business-type activities capital assets, net	\$ 379,681,362	8,862,769	(5,093,108)	383,451,023

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 5,541,941
Administrative services	35,802
Police	863,682
Fire	411,662
Libraries	974,735
Development	145,553
Public services and operations	75,250
Parks and recreation	4,453,680
Public works	21,549,156
Technology Services	1,546,593
Unallocated	102,199
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	5,614,404
Total depreciation expense – governmental activities	\$ 41,314,657

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Business-type activities:		
Water and sewer	\$	12,315,755
Environmental waste services		350,873
Municipal drainage		386,275
Nonmajor		769,728
Total depreciation expense – business-type activities	\$	<u>13,822,631</u>

Future expenditures for capital projects will be funded from unexpended bond proceeds and additional general obligation or revenue bonds and operating revenues. In May 1998, \$80,351,000 of various purpose General Obligation Bonds were authorized and \$66,159,000 of the 1998 bonds have been issued. In May 2001, \$112,415,000 various purpose General Obligation Bonds were authorized and \$108,915,000 of the 2001 bonds have been issued. In May 2005, \$144,802,000 of various purpose General Obligation Bonds were authorized and \$91,852,000 of the 2005 bonds have been issued.

Discretely presented component units

	Balance at Beginning Of Year	Additions And Transfers	Retirements And Transfers	Balance at End Of Year
Economic development activities:				
Capital assets, being depreciated:				
Equipment	\$ 57,115	-	-	57,115
Total capital assets being depreciated	<u>57,115</u>	<u>-</u>	<u>-</u>	<u>57,115</u>
Less accumulated depreciation for:				
Equipment	(48,772)	(3,136)	-	(51,908)
Total accumulated depreciation	<u>(48,772)</u>	<u>(3,136)</u>	<u>-</u>	<u>(51,908)</u>
Economic development activities capital assets, net	\$ 8,343	(3,136)	-	<u>5,207</u>

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

	Balance at Beginning Of Year	Additions And Transfers	Retirements And Transfers	Balance at End Of Year
TIF East side activities:				
Capital assets, not being depreciated:				
Land	\$ 110,629	-	-	110,629
Total capital assets, not being depreciated	110,629	-	-	110,629
Capital assets, being depreciated:				
Buildings	6,661,087	-	-	6,661,087
Improvements other than buildings	6,008	-	-	6,008
Equipment	25,809	-	-	25,809
Total capital assets being depreciated	6,692,904	-	-	6,692,904
Less accumulated depreciation for:				
Buildings	(2,106,691)	(333,328)	-	(2,440,019)
Improvements other than buildings	(2,184)	(288)	-	(2,472)
Equipment	(18,469)	(1,547)	-	(20,016)
Total accumulated depreciation	(2,127,344)	(335,163)	-	(2,462,507)
Total capital assets, being depreciated, net	4,565,560	(335,163)	-	4,230,397
TIF East side activities capital assets, net	\$ 4,676,189	(335,163)	-	4,341,026

Component units:	
Economic development	\$ 3,136
TIF east side	335,163
Total depreciation expense – component units	<u>\$ 338,299</u>

5. EMPLOYEE BENEFIT PLANS:

Texas Municipal Retirement System Plan

Plan Description-

The City provides pension benefits for all of its full-time employees through a nontraditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 827 currently administered by TMRS, an agent multiple-employer public employee retirement system. TMRS annually issues a stand-alone financial report. These reports are available from offices of TMRS.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150% or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows (as of December 2007):

Deposit Rate:	7%
Matching Ratio (City to Employee):	2 – 1
A member is vested after	5 years

Members can retire at certain ages, based on the years of service with the City. The Service Retirement Eligibilities for the City are: 5 years/age 60, 20 years/any age.

Contributions and Funding Policy-

Under the state law governing TMRS, the actuary annually determines the City contribution rate. This rate consists of normal cost contribution rate and the prior service contribution rate, both of which are calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the currently accruing monetary credits due to the City matching percent, which are the obligation of the City as of an employee's retirement date, not at the time the employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded actuarial liability over the remainder of the plan's 25-year amortization period. The unit credit actuarial cost method is used for determining the City contribution rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that is the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 2006 valuation is effective for rates beginning January 2008)

Contributions by the City were \$16,450,528 or 14.0% of the covered payroll of \$117,372,866 as required by the actuarial valuation. The total fiscal year 2008 payroll was \$126,137,348. Annual City TMRS pension cost and related information for the last three years is as follows:

	2007	2006	2005
Annual pension cost	\$ 16,450,528	15,387,911	14,892,443
Contributions made	16,450,528	15,387,911	14,892,443
Contributions as % of Annual pension cost	100%	100%	100%
Net Pension Obligation (NPO)			
At end of year	-	-	-
Actuarial valuation date	12/31/07	12/31/06	12/31/05
Actuarial cost method	Projected Unit Credit	Unit Credit	Unit Credit
Amortization method	Level %	Level %	Level %
Asset valuation method	Amortized Cost	Amortized Cost	Amortized Cost
Amortization period	30 years-Closed	25 years-Open	25 years-Open
Actuarial assumptions:			
Investment rate of return	7%	7%	7%
Inflation rate	3.0%	3.5%	3.5%
Projected salary increases	N/A	N/A	N/A

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

The City's net pension obligation (NPO) for TMRS at December 31, 2007, 2006 and 2005 is calculated as follows:

	2007	2006	2005
Annual required contribution (ARC)	\$ 16,450,528	15,387,911	14,892,443
Annual pension cost	16,450,528	15,387,911	14,892,443
Contribution made	(16,450,528)	(15,387,911)	(14,892,443)
Change in NPO	-	-	-
NPO, beginning of year	-	-	-
NPO, end of year	\$ -	-	-

All annual required contributions have been paid; therefore there is no net pension obligation.

Retirement Security Plan

Plan Description-

On January 1, 1983, the City withdrew from the Federal Social Security system and created the Retirement Security Plan (RSP), a single-employer, defined benefit pension trust fund, to provide retirement benefits for all full-time employees of the City. The plan is created by City ordinance and administered by a committee of five, which meets four times a year. Professional investment management is used and a custodial bank retains the assets and provides for administration of benefit payments. The plan issues a separate publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by request to the City's Human Resources Department, 1520 Avenue K, Suite 130, Plano, TX 75074. As of the December 31, 2007 biennial actuarial valuation, there were 2,064 active members of whom 1,359 were vested and 705 were non-vested. There are 339 terminated participants receiving benefits.

Normal retirement benefits are paid upon attaining age 65 with 5 years of service. Early retirement benefits are paid upon completion of 20 years of vesting service (TMRS credited service) or upon attaining age 60 with 5 years of vesting service. At least 5 years must be with the City.

For normal retirement the monthly benefit payment is calculated as follows:

.007 X City of Plano credited service since January 1, 1983 (not to exceed 25 years) X average compensation (highest 3 years of last 10).

Benefits are paid as a monthly life annuity to the participant, with a guarantee that should the participant die prior to receiving 60 monthly payments, the payments will continue to a beneficiary for the balance of the 60-month period.

For early retirement the monthly benefit payment is calculated as follows:

.007 X City of Plano credited service since January 1, 1983 (not to exceed 25 years) X average compensation (highest 3 years of last 10) X a reduction factor based on the number of years which the benefit start date precedes the normal retirement date. The benefit amount is reduced by one-fifteenth (1/15) for each of the first five years and one-thirtieth (1/30) for each of the next five years (and on an Actuarial Equivalent basis thereafter) by which the starting date of payments precedes the employee's normal retirement date.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

The benefits are paid monthly the same as for the normal retirement.

A participant that has completed at least 5 years of City of Plano service, and either retires or terminates his employment is eligible for a monthly benefit at the time the participant turns age 60. The benefit is calculated as follows:

.007 X City of Plano credited service since January 1, 1983 (not to exceed 25 years) X average compensation (highest 3 years of last 10) X a reduction factor based on the number of years which the benefit start date precedes the normal retirement date. The benefit amount is reduced by one-fifteenth (1/15) for each of the first five years and one-thirtieth (1/30) for each of the next five years (and on an Actuarial Equivalent basis thereafter) by which the starting date of payments precedes the employee's normal retirement date.

There is no reduction factor if the participant waits until age 65 to begin drawing a monthly benefit.

A lump sum payment option is available and the lump sum value of a participant's RSP benefit is always calculated. Lump sum payments follow these guidelines:

When lump sum value is less than \$5,000, the benefit must be in form of a single lump sum payment.

When lump sum value is \$5,000 - \$12,000, participant has choice of single lump sum payment or monthly annuity payments.

When lump sum value exceeds \$12,000, the participant must receive monthly annuity payments.

Joint and survivor options are available. Total and permanent disability retirement benefits are provided. Each April 1, retirement benefits which have been paid for at least 12 months are adjusted to reflect changes in the U.S. Consumer Price Index (not to exceed 4%). This adjustment is applied to only the participant's benefits; spouses or beneficiaries are excluded.

Summary of Significant Accounting Policies-

The plan is presented on the accrual basis of accounting. City contributions are recognized when due and benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments of the plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value.

At September 30, 2008, there were no individual investments that constituted more than 5% of the plan net assets available for benefits. In addition, the plan did not have any investment transactions with related parties during the year.

Contributions and Funding Policy-

Contributions by the City are established as part of the City budget process. No employee contributions are required by the plan. The City contributed \$3,420,947 or 3.13% of the covered payroll for the year ended September 30, 2008, as compared to the December 31, 2007 biennial actuarial requirement of 3.12%.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

The covered payroll was \$109,295,425 and the City's total payroll was \$126,137,348 for the year ended September 30, 2008. The contribution amount is a 30-year level percentage of pay funding with a 4% payroll growth assumption. This funding approach produces a contribution pattern that is intended to increase in amount from year to year but remain relatively constant as a percent of payroll. Administrative costs, including investment, custodial trustee, and actuarial services are charged to the plan.

The City's annual pension cost and related information for the plan for the last three years is as follows:

	2008	2007	2006
Annual pension cost	\$ 3,427,360	2,951,185	2,944,465
Contributions made	3,420,947	3,121,295	2,788,179
Contributions as % of			
Annual pension cost	100%	106%	95%
Net Pension Asset (NPA)			
At end of year	(220,298)	(226,711)	(56,601)
Actuarial valuation date	12/31/07	12/31/05	12/31/05
Actuarial cost method	Entry Age	Entry Age	Entry Age
	Normal	Normal	Normal
Amortization method	Level %	Level %	Level %
Asset valuation method	5- Year	5- Year	5- Year
	Smoothed	Smoothed	Smoothed
	Market	Market	Market
Amortization period	30 years- Open	30 years- Open	30 years- Open
Actuarial assumptions:			
Investment rate or return	8%	8%	8%
Inflation rate	4%	4%	4%
Projected salary increases	4%-9.43%	4%	4%

The City's net pension asset (NPA) for the Retirement Security Plan (RSP) at September 30, 2008, 2007 and 2006 is calculated as follows:

	2008	2007	2006
Annual required contribution (ARC)	\$ 3,447,764	2,953,619	2,953,619
Interest on NPA	(18,137)	(4,528)	(17,031)
Adjustment to the ARC	(2,267)	2,094	7,877
Annual pension cost	3,427,360	2,951,185	2,944,465
Contribution made	(3,420,947)	(3,121,295)	(2,788,179)
Change in NPA	6,413	(170,110)	156,286
NPA , beginning of year	(226,711)	(56,601)	(212,887)
NPA, end of year	\$ (220,298)	(226,711)	(56,601)

In all years, the NPA has an asset (negative) balance and therefore the interest adjustment is deducted and the ARC adjustment added to determine the annual pension cost. The net pension asset has been recorded in prepaid and other assets in the government-wide financial statements.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights are held in trust or under one or more annuity contracts described in Internal Revenue Code Section 401(f). Except as may otherwise be permitted or required by law, no assets or income of the Plan shall be used for, or diverted to, purposes other than for the exclusive purpose of providing benefits for Participants and their Beneficiaries or defraying reasonable expenses of administration of the Plan. Accordingly, the assets of the Plan are not reported in the City's basic financial statements.

Postemployment Benefits

The City offers its retired employees health insurance coverage under the same plan as the active employees. The number of retired participants receiving health insurance coverage for 2008 was 298. Premiums are paid by the retired employees and claims are processed by the City's agent and paid through the Health Claims Fund. Expenditures for postretirement health care benefits are recognized as retirees report claims. Claims paid for retired employees for 2008 were approximately \$1,198,295.

Postemployment Benefits Trust Fund - Section 115 Trust

Plan Description-

On March 1, 2008, the City established a Section 115 Trust (the Trust) to comply with the requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions, for the purpose of funding and providing certain benefits to its eligible retirees. The plan is created by City ordinance and administered by the Risk Pool Trustees who meet four times a year. The Risk Pool Trustees consist of three City employees who are appointed by the City pursuant to the Plano Welfare Benefit Plan. Professional investment management is used and a custodial bank retains the assets of the Trust. The Trust will issue a separate publicly available financial report that includes financial statements and required supplementary information at the Trust's fiscal year end which is December 31. Those financial reports may be obtained by request to the City's Human Resources Department, 1520 Avenue K, Suite 130, Plano, TX 75074.

Receipt of Contributions-

The City delivers to the Section 115 Trustee the amounts of money that are contributed to the Trust Fund by the City and, if applicable, by participants. Contributions by the City are established as part of the City budget process and are based on amounts determined in the actuarial study prepared biennially. For fiscal year ending September 30, 2008 the City contributed \$23.9 million to the Trust which represents approximately three years of the annual required contribution of the employer (ARC).

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

Annual OPEB Cost and Net OPEB Obligation-

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the City's ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount annually contributed to the Trust, and the changes in the City's net OPEB obligation to the Trust.

Annual required contribution	\$ 6,031,883
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>6,031,883</u>
Contributions made	<u>(23,934,554)</u>
Decrease in net OPEB obligation	<u>(17,902,671)</u>
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	<u><u>\$(17,902,671)</u></u>

The following table shows the assumed annual OPEB cost and net OPEB obligation for the prior three years (7% discount and level percent of pay amortization):

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
9/30/2006	N/A	N/A	N/A	N/A
9/30/2007	N/A	N/A	N/A	N/A
9/30/2008	7%	\$6,031,883	396.8%	\$(17,902,671)

Funding Status and Funding Progress –

As of October 1, 2007, the most recent actuarial valuation date, the Trust was not funded. The actuarial accrued liability for benefits was \$55,831,704, and there was not an actuarial value of net assets. During the fiscal year the City contributed \$23,934,554 million to the plan, resulting in an unfunded actuarial accrued liability (UAAL) of \$32,831,698 million. The covered payroll was \$109,295,425, and the ratio of the UAAL to the covered payroll was 30.0%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Trust and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions –

In the October 1, 2007, actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 7.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on the Trust assets and on the employer's own investments calculated based on the funded level of the Trust at the valuation date, and an annual healthcare trend rate of 7.3% initially, reduced by decrements each year. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at October 1, 2007, was thirty years.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

6. LONG-TERM DEBT:

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2008, is as follows (in thousands of dollars):

	Balance Beginning Of Year	Increase	Decrease	Balance End of Year	Due Within One Year
Governmental Activities:					
General obligation bonds & certificates of obligation	\$ 291,125	41,295	(21,840)	310,580	21,745
Tax anticipation notes	11,000	17,075	(1,670)	26,405	3,900
Deferred amounts:					
For issuance (discounts) / premiums / deferred charge on refunding	824	1,655	(1,365)	1,114	344
Total bonds payable	302,949	60,025	(24,875)	338,099	25,989
Compensated absences	30,419	6,228	(4,370)	32,277	4,392
Liability for insurance claims	6,711	20,491	(19,660)	7,542	6,302
Governmental activity Long-term debt	\$ 340,079	86,744	(48,905)	377,918	36,683

The compensated absences liability attributable to the governmental activities will be liquidated by several of the City's governmental and internal service funds. Approximately 95.2% has been paid by the General Fund, 0.7% by Special Revenue Funds and 4.1% by Internal Service Funds.

The liability for insurance claims will be liquidated through a variety of funds. The General Fund bears approximately 93.8% of the claims and judgments liability. The Enterprise Funds bear approximately 4.5% of the claims and judgment liability, while the Internal Service and Special Revenue Funds bear approximately 1.6% and 0.1%, respectively.

	Balance Beginning Of Year	Increase	Decrease	Balance End of Year	Due Within One Year
Business Type Activities:					
Water & Sewer Revenue bonds	\$ 8,030	-	(2,280)	5,750	1,855
Municipal Drainage Revenue bonds	22,475	2,085	(1,390)	23,170	1,490
Deferred amounts:					
For issuance (discounts) / premiums/ (deferred charges)	2	-	(22)	(20)	-
Total bonds payable	30,507	2,085	(3,692)	28,900	3,345
Compensated absences	2,118	564	(415)	2,267	407
Business-type activity Long-term debt	\$ 32,625	2,649	(4,107)	31,167	3,752

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

	Balance Beginning Of Year	Increase	Decrease	Balance End of Year	Due Within One Year
Discretely Presented Component Units:					
TIF Mall note payable	\$ 5,417	326	-	5,743	-
TIF East Side note payable	1,509	-	733	776	776
Total note payable	\$ 6,926	326	733	6,519	776

Long-term debt at September 30, 2008, includes the following individual issues (not including the unamortized discount of \$163,886, the unamortized premium of \$8,472,792, and the unamortized deferred charge of \$7,195,267 of the General Obligation Bonds, the unamortized premium of \$412,986 and deferred charges of \$187,333 of the Water & Sewer Revenue Bonds and the unamortized premium of \$312,263 and unamortized discount of \$293,575 and unamortized deferred charges of \$264,367 of the Municipal Drainage Revenue Bonds):

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
General Obligation Bonds:						
1998 Refunding and Improvements	3.95 – 5.15	03-15-98	09-01-18	50,935,000	35,470,000	15,465,000
1999 Various purpose	3.50 – 5.00	01-15-99	09-01-19	25,160,000	21,455,000	3,705,000
2000 Various purpose	5.125 – 5.875	02-15-00	09-01-20	24,330,000	22,085,000	2,245,000
2001 Various purpose	4.50 – 5.00	02-01-01	09-01-20	20,315,000	15,000,000	5,315,000
2001-A Various purpose	4.00 – 5.00	09-15-01	09-01-21	18,195,000	4,505,000	13,690,000
2002 Refunding and Improvements	3.25 – 5.25	08-01-02	09-01-22	56,130,000	36,305,000	19,825,000
2003 Refunding and Improvements	2.00 – 5.00	05-01-03	09-01-23	41,370,000	15,720,000	25,650,000
2004 Refunding	2.00 – 5.00	10-15-04	09-01-17	30,690,000	4,520,000	26,170,000
2005 Refunding and Improvements	3.50 – 5.00	05-15-05	09-01-25	84,880,000	3,855,000	81,025,000
2006 Various purpose	4.00 – 5.00	02-01-06	09-01-26	40,925,000	2,760,000	38,165,000
2007 Various purpose	4.25 – 5.25	05-01-07	09-01-27	35,675,000	1,165,000	34,510,000
2008 Various purpose	3.50 – 5.00	01-15-08	09-01-28	41,295,000	-	41,295,000
				<u>469,900,000</u>	<u>162,840,000</u>	<u>307,060,000</u>
Tax Anticipation Notes:						
2007 Tax anticipation notes	4.00 – 4.00	05-01-07	09-01-13	11,000,000	1,670,000	9,330,000
2008 Tax anticipation notes	3.00 – 3.25	01-15-08	09-01-15	17,075,000	-	17,075,000
				<u>28,075,000</u>	<u>1,670,000</u>	<u>26,405,000</u>
Certificates of Obligation:						
2006 Various purpose	4.25 – 4.50	02-01-06	09-01-26	3,765,000	245,000	3,520,000
Water & Sewer Revenue Bonds:						
2003 General Obligation Refunding	2.00 – 5.00	05-01-03	09-01-13	16,825,000	11,075,000	5,750,000
Municipal Drainage Revenue Bonds:						
1998 Refunding and Improvements	3.95 – 5.05	03-15-98	05-15-18	4,950,000	1,615,000	3,335,000
1999 Improvements	3.80 – 5.00	01-15-99	05-15-19	2,600,000	2,475,000	125,000
2001 Improvements	4.20 – 5.10	09-15-01	05-15-21	4,530,000	3,935,000	595,000
2003 Improvements	2.50 – 4.50	05-01-03	05-15-23	3,675,000	620,000	3,055,000
2005 Refunding and Improvements	3.00 – 5.00	05-15-05	05-15-25	11,610,000	955,000	10,655,000
2006 Improvements	4.00 – 5.00	02-01-06	05-15-26	1,455,000	75,000	1,380,000
2007 Improvements	4.00 – 5.50	05-01-07	05-15-27	2,000,000	60,000	1,940,000
2008 Improvements	4.00 – 4.50	01-15-08	05-15-28	2,085,000	-	2,085,000
				<u>\$ 32,905,000</u>	<u>9,735,000</u>	<u>23,170,000</u>

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

The annual requirements to amortize debt outstanding as of September 30, 2008, including interest payments of approximately \$129,906 follow. Due to the nature of the obligation for compensated absences, annual requirements to amortize such obligations are not determinable and have not been included in the following summary (in thousands of dollars):

Year Ended September 30,	General Obligation, Tax Anticipation Notes & Certificates of Obligation		Proprietary Fund Types			
			Water and Sewer		Municipal Drainage	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 25,645	14,666	1,855	239	1,490	1,026
2010	25,960	13,593	1,940	172	1,575	938
2011	25,470	12,468	1,260	75	1,655	872
2012	25,180	11,464	330	28	1,715	805
2013	25,565	10,431	365	15	1,795	733
2014-2018	101,725	37,209	-	-	8,045	2,462
2019-2023	69,040	17,195	-	-	4,870	1,022
2024-2028	38,400	4,277	-	-	2,025	216
Total	\$ 336,985	121,303	5,750	529	23,170	8,074

The City intends to retire all of its general long-term liabilities, plus interest, from ad valorem taxes and other current revenues. The proprietary fund type long-term debt will be repaid, plus interest, from the operating revenues of the Water and Sewer Fund, Environmental Waste Services Fund and the Municipal Drainage Fund.

The discretely held component unit TIF Mall had notes payable as of September 30, 2008 of \$5,742,533. These notes are for amounts loaned by the City for projects and construction relating to the TIF Mall and will be repaid when funding is available from the TIF Mall. Funding will not be available from the TIF Mall until full repayment is made to Taubman Realty Group Limited Partnership for construction of a parking garage, land and roadway improvements. Repayment is estimated to be complete in fiscal year 2010. The interest rate on the note payable is 6.5%. Until repayment can be made on the note, interest is capitalized.

The discretely held component unit TIF East Side had notes payable as of September 30, 2008 of \$776,433. These notes are for amounts loaned by the City for construction of the Courtyard Theater on the East side of Plano. The notes will be paid to the City in one remaining installment of \$823,019 from the TIF East Side. The interest rate on the note payable is 6%.

The annual requirements to amortize debt outstanding for the TIF East Side Discretely Presented Component Unit as of September 30, 2008, including interest payments of approximately \$47,000 follow:

Year Ended September 30,	Note Payable	
	Principal	Interest
2009	\$ 776	47

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

A. General Obligation Bonds and Certificates

The City is required by ordinance to create from ad valorem tax revenues a sinking fund sufficient to pay the current interest and principal installments as they become due. The Debt Service Fund has \$5,491,973 available to service the general obligation debt after all debt due in the current fiscal year has been paid.

There are a number of limitations and restrictions contained in the various general obligation bond and certificate indentures. Management of the City believes it is in compliance with the significant limitations and restrictions at September 30, 2008.

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the City to rebate excess arbitrage earnings from bond proceeds to the federal government. Beginning in 1992, the City paid required five-year rebates. Future rebates are estimated to be \$962,072 at September 30, 2008. As provided for by the bond indentures, this amount has been recorded as "Due to other governments" in a special revenue fund (the Rebate Fund) for the benefit of the federal government and will be paid as required by applicable regulations.

In January of 2008, the City issued \$41,295,000 in General Obligation bonds, with interest ranging from 3.5% to 5.0% for various permanent public improvements. Also in January of 2008, the City issued \$17,075,000 of Tax Notes, with interest ranging from 3.0% to 3.25% for the acquisition, implementation and installation of software, hardware and other equipment for a public safety wireless mesh network to provide wireless connectivity for City personnel and for radio system infrastructure as well as for payment of professional services of attorneys, financial advisors and other professionals in connection with the projects.

In prior years, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in irrevocable trusts pledged to pay all future debt service payments of the refunded bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's financial statement. At September 30, 2008, \$38,495,000 of the defeased bonds are still outstanding.

B. Water and Sewer Revenue Bonds

The Water and Sewer Revenue Bonds are secured by the net revenues of the Water and Sewer Fund as defined in the respective bond indentures.

The City is required by the applicable revenue bond indentures to pledge the net revenues of the Water and Sewer Fund for the retirement of its outstanding revenue bonds, including interest thereon, and is required to maintain debt service funds and bond reserve funds for all such bonds outstanding.

The debt service funds, aggregating \$207,060 at September 30, 2008, are restricted within the Water and Sewer Fund. The respective bond indentures require the City to make equal monthly installments to the debt service funds which will accumulate to pay the annual principal and semiannual interest requirements as they become due.

Bond proceeds since 1988 are covered by the arbitrage provisions of the Internal Revenue Tax Act of 1986. Accordingly, there were no excess arbitrage earnings estimated at September 30, 2008. The City is in compliance with all requirements of the bond ordinances for the year ended September 30, 2008.

Restricted assets of the Water and Sewer Fund at September 30, 2008 are as follows:

Cash and cash equivalents	\$ 14,683,450
Investments	2,447,465
Accrued interest receivable	34,519
Accounts receivable	66,621
	<hr/>
	\$ 17,232,055
	<hr/>

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

C. Municipal Drainage Revenue Bonds

These bonds are secured by a first lien on and pledge of the revenues of the Municipal Drainage Fund in accordance with the provisions of the bond indenture.

The bond indenture requires the City to make equal monthly installments to a debt service fund to pay principal and interest requirement as they become due. At September 30, 2008 \$1,818,481 is restricted within the Municipal Drainage Fund for debt service requirements.

In addition, the bond indenture requires a reserve equal to the average annual debt services requirement be maintained in order to pay any bond principal and interest should the debt service funds be insufficient. At September 30, 2008 the reserve required and restricted within the Municipal Drainage Fund is \$1,562,215.

In January of 2008, the City issued \$2,085,000 in Municipal Drainage Revenue bonds, with interest ranging from 4.00% to 4.50% for various drainage and erosion projects throughout the City.

In fiscal year 2005, the City defeased certain outstanding Municipal Drainage Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of refunded bonds. Accordingly, the trust account and the defeased bonds are not included in the City's financial statement. At September 30, 2008 \$4,375,000 of the defeased bonds are still outstanding.

Municipal Drainage revenue bonds are covered by the arbitrage provisions of the Internal Revenue Tax Act of 1986 and accordingly, excess arbitrage earnings of \$42,650 were estimated at September 30, 2008. This amount is included in the Special Revenue Rebate fund "Due to other governments." The City is in compliance with all requirements of the bond ordinance for the year ended September 30, 2008.

Restricted assets of the Municipal Drainage Fund at September 30, 2008 are as follows:

Cash and cash equivalents	\$	7,493,556
Investments		1,249,041
Accrued interest receivable		<u>17,614</u>
	\$	<u>8,760,211</u>

7. INTERFUND TRANSACTIONS:

A summary of interfund receivables and payables at September 30, 2008 is as follows:

	Due From	Due To
Governmental Activities:		
General Fund	\$ 399,449	-
Nonmajor governmental activities	-	399,449
	<u>\$ 399,449</u>	<u>399,449</u>

An internal loan (interfund advance) from the Equipment Maintenance Fund to the Environmental Waste Services Fund was recorded during fiscal year ended September 30, 1999 in the amount of \$1,791,360. Current portion of the loan at September 30, 2008 is \$226,133 in the Environmental Waste Services Fund. An internal loan from the Water and Sewer Fund to the Environmental Waste Services Fund was recorded during fiscal year ending September 30, 2008 in the amount of \$663,000. Current and long term portion of the loan at September 30, 2008 are \$132,396 and \$280,892, respectively in the Environmental Waste

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

Services Fund. The Environmental Waste Services Fund internal loans will be repaid over a ten-year period and five-year period at interest rates of 5.6% and 4.0% annually. At the end of each fiscal year a temporary due to / due from is recorded for any cash shortfalls that a fund may have incurred. These amounts are typically short term advances from the General Fund.

The City performs a complex calculation to determine the value of the charges in lieu of taxes to be paid to the General Fund. This calculation is reasonably equivalent to the value of the services provided to the Water and Sewer and Environmental Waste Services funds and is therefore appropriately reported as an expense as opposed to a transfer. During fiscal year 2008, charges in lieu of taxes were \$7,276,212.

Transfers between funds during the year were as follows:

	Transfer In	Transfer Out
Governmental Activities:		
General Fund	\$ 9,669,342	10,809,587
Debt Service	547,804	-
Capital Reserve	13,500,000	-
Internal Service	-	250,000
Nonmajor governmental activities	559,587	-
Business-type Activities:		
Water and Sewer	-	11,860,286
Environmental Waste Services	100,000	-
Municipal Drainage	-	330,659
Nonmajor business-type activities	-	1,126,201
	<u>\$ 24,376,733</u>	<u>24,376,733</u>

The City performs a cost allocation to determine the portion of indirect expenses that will be reimbursed by the respective business-type activities to the General Fund. The City funds the Capital Reserve fund by transferring amounts from the General Fund and Water and Sewer fund each year based on a portion of depreciation.

8. REGIONAL SYSTEMS FOR WATER SUPPLY, WASTEWATER TREATMENT, AND SOLID WASTE DISPOSAL:

The City of Plano secures its water supply and sewer services from the North Texas Municipal Water District ("District"), a district authorized by the Texas Constitution, Article XVI, Section 59; created by the Texas Legislature, Article 8280-141; and authorized to act by the confirming vote of the majority of the qualified voters in each of the cities comprising the District. The District has police, taxation and eminent domain powers and is authorized to issue revenue and/or tax bonds upon approval by the Attorney General of the State of Texas and functions as a political subdivision of the State of Texas independent of the City. The District is governed by a 17-member board (the "Board"), the City of Plano being authorized by statute to appoint two of those members. The Board has full power and discretion to establish its budget and to set the rates for the services it provides by contracts with its member cities and customers. The Board is empowered by statute and contract, or otherwise permitted by law, to discontinue a facility or service in order to prevent an abuse or to enforce payment of an unpaid charge, fee or rental due to the District. A portion of the outstanding bonds of the District are contract revenue bonds based on contracts with certain member cities of the District. The City of Plano provides for the payment of its contractual obligations with the District from revenues generated by its waterworks and sewer systems. Such contractual payments provide for the payment of the principal and interest requirements, and the premium payment, if any, on specified indebtedness and associated operation and maintenance expenses of the District. Because of the factors mentioned above, the District is not included in the City's basic financial statements.

**CITY OF PLANO, TX
 NOTES TO BASIC FINANCIAL STATEMENTS (continued)
 SEPTEMBER 30, 2008**

Water Supply

On December 12, 1953, the City entered into a contract with the District whereby the District agreed to provide water for the benefit of the City. In return for this service, the City agreed to pay the District at a rate per 1,000 gallon basis, subject to minimum annual payments. The City's annual payment for the year ended September 30, 2008, was \$26,973,343. The City has also contracted for water transmission facility improvements and pays the District for debt service for bonds issued to fund the improvements. For fiscal year 2008 this payment was \$856,058. Future years' payments to debt service are as follows:

2009	\$	856,957
2010		861,488
2011		869,233
2012		869,898
2013		873,695
2014 – 2018		3,820,088

Wastewater Treatment

On October 1, 1975, the City entered into a contract for wastewater treatment services with the District. The District has been designated by the Texas Water Quality Board as the regional agency to provide and develop a Regional System for Wastewater Treatment in the general area of the East Fork of the Trinity River, which includes the City of Plano and other cities located in Collin, Dallas, Kaufman and Rockwall Counties, Texas. Relative thereto, the City of Plano and other cities have entered into wastewater system contracts with the District, which provide for the establishment, operation and maintenance of a Regional Wastewater System for the purpose of providing facilities to adequately receive, transport, treat and dispose of wastewater for the cities. In order to provide said services, the contract provides that (a) the District will acquire, design, construct and complete the system, repair, replace and/or extend the system to provide service to the cities; (b) in consideration of payments to be made under the contract, each of the cities shall have the right to discharge all its wastewater from its sewage system into the District's system, subject to certain quality requirements set forth in the contract; (c) the District will issue its bonds, in amounts and at times determined by the District, to provide for the wastewater treatment facilities; (d) each city agrees to pay its proportionate share of the annual requirement sufficient to pay or provide for the payment of an "Operation and Maintenance Component" and a "Bond Service Component;" (e) each city's proportionate share of the annual requirement shall be a percentage obtained by dividing such city's estimated contributing flow to the system by the total estimated contributing flow to the system by all cities during such fiscal year. No city will exercise oversight responsibility for the District and no city is liable for the District's debt. The City of Plano's payment for the year ended September 30, 2008 was \$18,973,500 net of payments to the City for facilities usage.

Solid Waste Disposal

On November 29, 1979, the City entered into a contract for services with the District, whereby the District agreed to provide a solid waste disposal system for the benefit of the City of Plano and other cities. Each city agreed to pay its share of an annual requirement for the operating expenses and debt service of the District to be calculated in the same manner as the wastewater contract. The City's annual payment for the year ended September 30, 2008 was \$7,177,078.

9. COMMITMENTS AND CONTINGENCIES:

The City has contractual commitments of \$39,404,227 in the Capital Projects Funds, \$4,255,110 in the Water and Sewer Fund, and \$992,746 in the Municipal Drainage Fund. These commitments are for construction of various projects and will be funded primarily from general obligation bond proceeds in the Capital Projects Funds, operating revenues in the Water and Sewer Fund and revenue bond proceeds in the Municipal Drainage Fund.

**CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008**

Various claims and lawsuits are pending in which the City is involved. Included among the various actions are those for which the discovery process is currently underway or which have yet to proceed to trial. Outside of those claims accrued by the City; it is the opinion of City management that the ultimate outcome of all other lawsuits will not have a material adverse effect on the City's financial position.

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

10. SELF INSURANCE:

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The City maintains a self-insurance program for general liability, public officials' errors and omission, police professional liability, property loss and workers' compensation. The Property/Liability Loss Internal Service Fund has been established to pay identified claims and judgments, maintain loss reserves and purchase insurance coverage as required. Claims for property loss over \$100,000 per occurrence and for workers' compensation over \$500,000 per occurrence are covered by private insurance companies. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years.

Group medical benefits are paid from the Health Claims Internal Service Fund, which has an annually negotiated stop loss provision. Revenues are recognized from payroll deductions for employee dependent coverage and from City contributions for employee coverage.

The liabilities for insurance claims reported in each of the funds are based on Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include an estimate for incurred but not reported claims. Change in each fund's claims liability amount in fiscal 2008 and 2007 were:

Fund	Liability Beginning Of Year	Current Year Claims And Changes in Estimates	Claim Payments	Liability End of Year
2008:				
Property/Liability Loss	\$ 3,546,073	2,158,070	2,240,092	3,464,051
Health Claims	3,165,083	18,333,342	17,420,003	4,078,422
Total	<u>\$ 6,711,156</u>	<u>20,491,412</u>	<u>19,660,095</u>	<u>7,542,473</u>
2007:				
Property/Liability Loss	\$ 3,573,771	1,935,398	1,963,096	3,546,073
Health Claims	2,845,082	14,281,955	13,961,954	3,165,083
Total	<u>\$ 6,418,853</u>	<u>16,217,353</u>	<u>15,925,050</u>	<u>6,711,156</u>

Health Claims expenses include \$934,548 in retiree benefits.

CITY OF PLANO, TX
NOTES TO BASIC FINANCIAL STATEMENTS (continued)
SEPTEMBER 30, 2008

11. NEW ACCOUNTING PRONOUNCEMENTS:

In December 2006, GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, which identifies situations in which a government is required to report obligations relating to pollution remediation, estimate expected outlays for the remediation, and disclose information about pollution obligations associated with clean up efforts. This statement is effective for the City's financial statements for periods beginning after December 15, 2007. The City is in the process of reviewing and evaluating this statement and it's potential impact on the City's financial statements.

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, which establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies in reporting of these type of assets. The statement requires that all intangible assets not specifically excluded by it's scope and provisions be classified as capital assets. This statement is effective for financial statements for periods beginning after June 15, 2009. The City does not currently have any intangible assets and as such there is no impact on the City's financial statements.

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PENSION TRUST - TMRS FUNDING PROGRESS AND CONTRIBUTIONS
LAST SIX FISCAL YEARS (Unaudited)

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) -Unit Credit	Unfunded Actuarial Accrued Liability UAAL	Funded Percent	UAAL as		Annual Required Contributions	Actual Contributions	Percent Contributed
						Covered Payroll	Percent Covered			
2003	12/31/02	220,533,591	265,800,391	(45,266,800)	82.97%	93,219,714	-48.56%	11,337,849	11,337,849	100.00%
2004	12/31/03	237,335,980	293,597,459	(56,261,479)	80.84%	93,999,206	-59.85%	11,840,053	11,840,053	100.00%
2005	12/31/04	262,169,460	317,019,786	(54,850,326)	82.70%	101,569,594	-54.00%	13,144,945	13,144,945	100.00%
2006	12/31/05	280,298,567	340,897,795	(60,599,228)	82.22%	102,734,170	-58.99%	14,892,443	14,892,443	100.00%
2007	12/31/06	296,863,771	369,388,605	(72,524,834)	80.37%	111,407,362	-65.10%	15,387,911	15,387,911	100.00%
2008	12/31/07	311,729,835	447,870,971	(136,141,136)	69.60%	117,372,866	-115.99%	16,450,528	16,450,528	100.00%

SCHEDULE OF PENSION TRUST - RETIREMENT SECURITY PLAN FUNDING PROGRESS AND CONTRIBUTIONS
LAST SIX FISCAL YEARS (Unaudited)

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) -Entry Age	Excess of Assets over/(under) AAL	Funded Percent	Excess as		Annual Required Contributions	Actual Contributions	Percent Contributed
						Covered Payroll	Percent Covered			
2003	12/31/01	43,901,297	37,603,431	6,297,866	116.75%	86,588,337	7.27%	2,440,075	2,308,078	94.59%
2004	12/31/03	48,894,642	44,115,875	4,778,767	110.83%	89,847,588	5.32%	2,589,895	2,396,201	92.52%
2005	12/31/03	48,894,642	44,115,875	4,778,767	110.83%	89,847,588	5.32%	2,589,895	2,570,626	99.26%
2006	12/31/05	56,579,886	55,987,030	592,856	101.06%	97,020,196	0.61%	2,953,619	2,788,179	94.40%
2007	12/31/05	56,579,886	55,987,030	592,856	101.06%	97,020,196	0.61%	2,953,619	3,121,295	105.68%
2008	12/31/07	69,211,789	68,647,366	564,423	100.82%	109,334,429	0.52%	3,447,764	3,420,947	99.22%

SCHEDULE OF PENSION TRUST - POSTEMPLOYMENT BENEFITS 115 TRUST FUNDING PROGRESS AND CONTRIBUTIONS
LAST SIX FISCAL YEARS (Unaudited)

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) -Entry Age	Excess of Assets over/(under) AAL	Funded Percent	Excess as		Annual Required Contributions	Actual Contributions	Percent Contributed
						Covered Payroll	Percent Covered			
2008	10/1/07	-	55,831,704	(55,831,704)	0.00%	109,295,425	-51.08%	6,031,883	23,934,554	396.80%

See accompanying independent auditors' report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

CRIMINAL INVESTIGATION FUND- to account for any monies taken into police custody as a result of police investigation. These monies are to be spent only on law enforcement activities as provided by state statute.

GRANT FUND- to account for monies received from other governmental agencies.

CATV FUND- to account for monies received for local access programming, under conditions contained within the franchise agreement with AT&T Broadband.

INDUSTRIAL REVENUE BOND AUTHORITY- to account for the fees for issuance of Industrial Revenue Bonds.

PUBLIC SAFETY COMMUNICATIONS- to account for 9-1-1 reserve fund monies received from wireless communication fees to be used for related 9-1-1 services; and intergovernmental radio fund fees collected under an interlocal agreement for a joint communication system between the cities of Plano, Allen and Frisco, the fees are used to pay maintenance expenses of the system; and wireline fees and reporting for 9-1-1 expenditures.

MUNICIPAL COURT – to account for building security fund monies received from conviction of misdemeanor fees to be used to provide for the security and housing of municipal courts; teen court fees collected from teens requesting teen court, these monies are used to cover the costs of administering teen court; municipal court technology state fees collected with each citation that has resulted from a conviction; and judicial efficiency state fees collected for payment on any part of a judgment on or after the 31st date on which a judgment is entered where one-half is remitted to the state, four-tenths is retained locally with no restriction, while one-tenth is used for the purpose of improving judicial efficiency.

REBATE FUND- to account for excess arbitrage earnings of the City's bond proceeds.

MEMORIAL LIBRARY FUND- to account for monies received in support of the City's library.

SEIZED ASSETS FUND- to account for the seizure and disposition of assets confiscated by local law enforcement agencies.

LIBRARIES- to account for library training lab monies received from the Bill and Melinda Gates Foundation for the establishment of a library training lab; and Sproles library fund monies received in support of the City's library.

ANIMAL SHELTER DONATIONS- to account for donations to assist the animal shelter.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary type funds).

The City's nonmajor Capital Projects Funds are as follows:

STREET IMPROVEMENTS FUNDS - to account for the financing and acquisition of right of way and construction of streets, storm sewers and alleys. Funds are provided primarily through bond sales, paving assessments and interest earnings.

PARK IMPROVEMENTS FUND- to account for the financing, acquisition and construction of park sites and related assets. Funds are provided primarily through bond sales and interest earnings.

DART- to account for the financing and construction of street modifications necessary to accommodate the public transportation system. Funds are provided through the DART local Assistance Program.

SPRING CREEKWALK- to account for the financing and construction of the Spring Creekwalk project. Funds are provided primarily through contributions by participating citizens.

PARK SERVICES- to account for building permit fees exclusively for the acquisition and development of new neighborhood and parks.

CITY OF PLANO, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF SEPTEMBER 30, 2008

Special Revenue

	<u>Criminal Investigation</u>	<u>Grant</u>	<u>CATV</u>	<u>Industrial Revenue Bond Auth.</u>	<u>Public Safety Communications</u>
ASSETS					
Cash and cash equivalents	\$ 845,909	\$ 953,202	\$ 368,504	\$ 15,391	\$ 7,895,997
Investments	140,998	158,866	61,423	2,566	1,316,120
Receivables (net of allowance for uncollectible)					
Accounts	-	-	14,012	-	-
Accrued interest	1,989	2,240	866	36	18,563
Assessments	-	-	-	-	-
Other	-	925,880	-	-	-
Due from other governments	19,184	377,566	-	-	95,811
Prepaid items and other assets	-	3,626	120	-	-
Total Assets	<u>1,008,080</u>	<u>2,421,380</u>	<u>444,925</u>	<u>17,993</u>	<u>9,326,491</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	90	57,395	80,456	-	39,041
Accrued liabilities	30	6,210	25,994	-	-
Contracts payable	-	-	-	-	-
Deferred revenue	-	925,880	-	-	-
Due to other funds	-	122,420	-	-	-
Due to other governments	-	-	-	-	225,877
Retainage payable	-	-	-	-	-
Seized assets payable	-	-	-	-	-
Total Liabilities	<u>120</u>	<u>1,111,905</u>	<u>106,450</u>	<u>-</u>	<u>264,918</u>
Fund Balances:					
Reserved for encumbrances	-	-	-	-	-
Reserved for prepaid items and other assets	-	3,626	120	-	-
Reserved for capital projects	-	-	-	-	-
Unreserved, designated for special revenue funds	-	-	-	-	-
Unreserved, undesignated	1,007,960	1,305,849	338,355	17,993	9,061,573
Total fund balances	<u>1,007,960</u>	<u>1,309,475</u>	<u>338,475</u>	<u>17,993</u>	<u>9,061,573</u>
Total Liabilities and Fund Balance	<u>\$ 1,008,080</u>	<u>\$ 2,421,380</u>	<u>\$ 444,925</u>	<u>\$ 17,993</u>	<u>\$ 9,326,491</u>

Municipal Court	Rebate	Memorial Library	Seized Assets	Libraries	Animal Shelter Donations
\$ 4,478,845	\$ 869,804	\$ 323,236	\$ 224,794	\$ 162,785	\$ 153,901
746,542	144,981	53,878	37,469	27,134	25,653
243,233	-	-	-	-	317
10,529	2,045	760	528	383	362
-	-	-	-	-	-
-	-	-	-	-	-
91,569	-	-	-	-	-
2,449	-	-	-	-	-
<u>5,573,167</u>	<u>1,016,830</u>	<u>377,874</u>	<u>262,791</u>	<u>190,302</u>	<u>180,233</u>
102,617	-	1,361	-	-	-
9,762	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
311,619	962,072	-	-	-	-
-	-	-	-	-	-
-	-	-	262,791	-	-
<u>423,998</u>	<u>962,072</u>	<u>1,361</u>	<u>262,791</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
2,449	-	-	-	-	-
-	-	-	-	-	-
-	54,758	376,513	-	-	-
<u>5,146,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,302</u>	<u>180,233</u>
<u>5,149,169</u>	<u>54,758</u>	<u>376,513</u>	<u>-</u>	<u>190,302</u>	<u>180,233</u>
<u>\$ 5,573,167</u>	<u>\$ 1,016,830</u>	<u>\$ 377,874</u>	<u>\$ 262,791</u>	<u>\$ 190,302</u>	<u>\$ 180,233</u>

(continued)

CITY OF PLANO, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF SEPTEMBER 30, 2008
 (continued)

	<u>Capital Projects</u>					Total Nonmajor Governmental Funds
	Street Improvements	Park Improvements	DART	Spring Creekwalk	Park Services	
ASSETS						
Cash and cash equivalents	\$ 18,180,052	\$ 27,194,055	\$ 650,715	\$ 20,030	\$ 4,964,419	\$ 67,301,639
Investments	3,030,285	4,532,756	108,462	3,338	827,479	11,217,950
Receivables (net of allowance for uncollectible)						
Accounts	-	-	-	-	-	257,562
Accrued interest	42,740	63,931	1,530	47	11,671	158,220
Assessments	1,550,281	-	-	-	-	1,550,281
Other	1,340,793	-	-	-	-	2,266,673
Due from other governments	-	-	-	-	-	584,130
Prepaid items and other assets	-	-	-	-	-	6,195
Total Assets	24,144,151	31,790,742	760,707	23,415	5,803,569	83,342,650
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	-	-	-	-	280,960
Accrued liabilities	-	-	-	-	-	41,996
Contracts payable	1,395,421	562,997	-	-	3,276	1,961,694
Deferred revenue	1,550,281	-	-	-	-	2,476,161
Due to other funds	-	-	-	-	-	122,420
Due to other governments	-	-	-	-	-	1,499,568
Retainage payable	412,706	192,065	-	-	-	604,771
Seized assets payable	-	-	-	-	-	262,791
Total Liabilities	3,358,408	755,062	-	-	3,276	7,250,361
Fund Balances:						
Reserved for encumbrances	8,252,642	9,435,058	630,553	-	313,100	18,631,353
Reserved for prepaid items and other assets	-	-	-	-	-	6,195
Reserved for capital projects	12,533,101	21,600,622	-	23,415	5,487,193	39,644,331
Unreserved, designated for special revenue funds	-	-	-	-	-	431,271
Unreserved, undesignated	-	-	130,154	-	-	17,379,139
Total fund balances	20,785,743	31,035,680	760,707	23,415	5,800,293	76,092,289
Total Liabilities and Fund Balance	\$ 24,144,151	\$ 31,790,742	\$ 760,707	\$ 23,415	\$ 5,803,569	\$ 83,342,650

**CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Special Revenue				
	Criminal Investigation	Grant	CATV	Industrial Revenue Bond Auth.	Public Safety Communications
REVENUES					
Fines and forfeitures	\$ 139,767	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	38,000	-	-
Intergovernmental	21,825	2,621,918	-	-	74,703
Fees for services	-	2,967	395,971	-	1,254,195
Assessments	-	-	-	-	-
Investment income	37,678	48,730	22,280	682	330,469
Miscellaneous	14,536	57,664	2,039	-	-
Total revenues	<u>213,806</u>	<u>2,731,279</u>	<u>458,290</u>	<u>682</u>	<u>1,659,367</u>
EXPENDITURES					
General government	-	-	-	-	-
Police	49,108	272,679	-	-	109,868
Fire	-	335,321	-	-	9,619
Libraries	-	111,162	-	-	-
Development	-	1,564,064	-	-	-
Public services and operations	-	-	904,109	-	31,470
Parks and recreation	-	37,970	-	-	-
Sustainability & environmental services	-	53,576	-	-	-
Capital outlay	56,640	416,531	28,478	-	331,152
Total expenditures	<u>105,748</u>	<u>2,791,303</u>	<u>932,587</u>	<u>-</u>	<u>482,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>108,058</u>	<u>(60,024)</u>	<u>(474,297)</u>	<u>682</u>	<u>1,177,258</u>
OTHER FINANCING SOURCES					
Issuance of debt	-	-	-	-	-
Premium on sale of bonds	-	-	-	-	-
Transfers in	-	-	559,587	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>559,587</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>108,058</u>	<u>(60,024)</u>	<u>85,290</u>	<u>682</u>	<u>1,177,258</u>
Fund balances-beginning	899,902	1,369,499	253,185	17,311	7,884,315
Fund balances-ending	<u>\$ 1,007,960</u>	<u>\$ 1,309,475</u>	<u>\$ 338,475</u>	<u>\$ 17,993</u>	<u>\$ 9,061,573</u>

Municipal Court	Rebate	Memorial Library	Libraries	Animal Shelter Donations
\$ 1,759,370	-	-	-	-
-	-	206,773	5,735	49,323
-	-	-	-	-
872,106	-	-	-	-
-	-	-	-	-
182,005	40,840	10,274	7,066	5,627
1,473	54	-	-	-
<u>2,814,954</u>	<u>40,894</u>	<u>217,047</u>	<u>12,801</u>	<u>54,950</u>
-	203,655	-	-	-
1,938,921	-	-	-	-
-	-	-	-	-
-	-	-	6,468	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
101,760	-	32,164	1,740	-
<u>2,040,681</u>	<u>203,655</u>	<u>32,164</u>	<u>8,208</u>	<u>-</u>
<u>774,273</u>	<u>(162,761)</u>	<u>184,883</u>	<u>4,593</u>	<u>54,950</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>774,273</u>	<u>(162,761)</u>	<u>184,883</u>	<u>4,593</u>	<u>54,950</u>
4,374,896	217,519	191,630	185,709	125,283
<u>\$ 5,149,169</u>	<u>\$ 54,758</u>	<u>\$ 376,513</u>	<u>\$ 190,302</u>	<u>\$ 180,233</u>

(continued)

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(continued)

	<u>Capital Projects</u>					Total Nonmajor Governmental Funds
	Street Improvements	Park Improvements	DART	Spring Creekwalk	Park Services	
REVENUES						
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,899,137
Contributions	3,523,764	-	-	-	-	3,823,595
Intergovernmental	-	-	-	-	-	2,718,446
Fees for services	-	-	-	-	239,753	2,764,992
Assessments	25,465	-	-	-	-	25,465
Investment income	244,284	1,236,379	28,861	888	222,208	2,418,271
Miscellaneous	905	-	-	-	-	76,671
Total revenues	<u>3,794,418</u>	<u>1,236,379</u>	<u>28,861</u>	<u>888</u>	<u>461,961</u>	<u>13,726,577</u>
EXPENDITURES						
General government	-	-	-	-	-	203,655
Police	-	-	-	-	-	2,370,576
Fire	-	-	-	-	-	344,940
Libraries	-	-	-	-	-	117,630
Development	-	-	-	-	-	1,564,064
Public services and operations	-	-	-	-	-	935,579
Parks and recreation	-	-	-	-	-	37,970
Environmental waste services	-	-	-	-	-	53,576
Capital outlay	13,057,357	7,630,813	-	-	228,063	21,884,698
Total expenditures	<u>13,057,357</u>	<u>7,630,813</u>	<u>-</u>	<u>-</u>	<u>228,063</u>	<u>27,512,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,262,939)</u>	<u>(6,394,434)</u>	<u>28,861</u>	<u>888</u>	<u>233,898</u>	<u>(13,786,111)</u>
OTHER FINANCING SOURCES						
Issuance of debt	20,155,000	12,420,000	-	-	-	32,575,000
Premium on sale of bonds	66,182	417,014	-	-	-	483,196
Transfers in	-	-	-	-	-	559,587
Total other financing sources	<u>20,221,182</u>	<u>12,837,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,617,783</u>
Net change in fund balances	<u>10,958,243</u>	<u>6,442,580</u>	<u>28,861</u>	<u>888</u>	<u>233,898</u>	<u>19,831,672</u>
Fund balances-beginning	9,827,500	24,593,100	731,846	22,527	5,566,395	56,260,617
Fund balances-ending	<u>\$ 20,785,743</u>	<u>\$ 31,035,680</u>	<u>\$ 760,707</u>	<u>\$ 23,415</u>	<u>\$ 5,800,293</u>	<u>\$ 76,092,289</u>

**CITY OF PLANO, TEXAS
 BUDGETARY COMPARISON SCHEDULE-GAAP BASIS
 DEBT SERVICE FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 36,537,990	\$ 36,537,990	\$ 36,900,896	\$ 362,906
Investment income	1,000,000	800,000	941,997	141,997
Miscellaneous	73,765	73,765	248,301	174,536
Total Revenues	37,611,755	37,411,755	38,091,194	679,439
EXPENDITURES:				
Principal retirement	23,510,000	23,510,000	23,510,000	-
Interest and fiscal charges	17,144,551	14,916,266	14,598,200	318,066
Total Expenditures	40,654,551	38,426,266	38,108,200	318,066
(Deficiency) Of Revenues Over Expenditures	(3,042,796)	(1,014,511)	(17,006)	997,505
OTHER FINANCING SOURCES:				
Premium from sale of bonds	-	-	206,475	206,475
Transfers in	547,804	547,804	547,804	-
Transfers out	-	-	-	-
Total Other Financing Sources:	547,804	547,804	754,279	206,475
Excess (Deficiency) Of Revenues And Other Sources Over/Under Expenditures	(2,494,992)	(466,707)	737,273	1,203,980
FUND BALANCE, OCTOBER 1	4,754,700	4,754,700	4,754,700	-
FUND BALANCE, September 30	\$ 2,259,708	\$ 4,287,993	\$ 5,491,973	\$ 1,203,980

NONMAJOR ENTERPRISE FUNDS

Following are the nonmajor Enterprise Funds:

CIVIC CENTER FUND- to account for the convention and tourism activities of the City's Civic Center.

MUNICIPAL GOLF COURSE FUND- to account for operation of the City's golf course, including administration, operation and maintenance. All costs are financed through fees charged to patrons.

PROPERTY MANAGEMENT FUND- to account for the rental properties of the Downtown Center projects.

DOWNTOWN CENTER DEVELOPMENT FUND- to account for the construction of a multi-use project in the City's downtown area.

RECREATION REVOLVING FUND- to account for recreational programs and activities which are offered to groups and individuals on a fee basis. Fees are adjusted periodically to cover the cost of providing each program.

CITY OF PLANO, TEXAS
STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
AS OF SEPTEMBER 30, 2008

	Business-type Activities Enterprise Funds					Total Nonmajor Enterprise Funds
	Civic Center	Municipal Golf Course	Property Management	Downtown Center Development	Recreation Revolving	
ASSETS						
Cash and cash equivalents	\$ 3,638,140	\$ 118,855	\$ 375,963	\$ 102,013	\$ 1,207,825	\$ 5,442,796
Investments	605,644	19,811	62,666	17,004	201,265	906,390
Receivables -						
Accounts	572,802	7,529	-	-	16,641	596,972
Accrued Interest	8,542	278	884	240	2,839	12,783
Other	-	-	3,876	-	1,951	5,827
Prepaid expenses & other assets	25,370	-	-	-	2,791	28,161
Capital assets:						
Land	2,359,859	595,296	1,333,325	36,999	-	4,325,479
Buildings	11,222,523	2,427,383	171,766	-	-	13,821,672
Improvements other than buildings	790,021	1,247,352	15,875	-	-	2,053,248
Equipment	1,589,706	159,037	-	-	450,597	2,199,340
Furniture and fixtures	312,821	80,381	-	-	73,873	467,075
Less accumulated depreciation	(12,068,590)	(1,802,525)	(175,735)	-	(512,879)	(14,559,729)
Total capital assets (net of accumulated depreciation)	4,206,340	2,706,924	1,345,231	36,999	11,591	8,307,085
Total assets	9,056,838	2,853,397	1,788,620	156,256	1,444,903	15,300,014
LIABILITIES						
Current liabilities:						
Accounts payable	228,010	22,984	841	-	118,715	370,550
Accrued liabilities	388,789	54,894	-	-	100,621	544,304
Deferred revenue	177,099	-	-	-	497,367	674,466
Customer deposits	-	9,112	10,467	-	186,318	205,897
Liability for compensated absences	41,499	8,172	-	-	39,797	89,468
Total current liabilities	835,397	95,162	11,308	-	942,818	1,884,685
Noncurrent liabilities:						
Liability for compensated absences	226,719	68,863	-	-	56,985	352,567
Total noncurrent liabilities	226,719	68,863	-	-	56,985	352,567
Total liabilities	1,062,116	164,025	11,308	-	999,803	2,237,252
NET ASSETS						
Invested in capital assets (net of related debt)	4,206,340	2,706,924	1,345,231	36,999	11,591	8,307,085
Unrestricted (deficit)	3,788,382	(17,552)	432,081	119,257	433,509	4,755,677
Total Net Assets	\$ 7,994,722	\$ 2,689,372	\$ 1,777,312	\$ 156,256	\$ 445,100	\$ 13,062,762

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Business-type Activities					Total Nonmajor Enterprise Funds
	Enterprise Funds					
	Civic Center	Municipal Golf Course	Property Management	Downtown Center Development	Recreation Revolving	
Operating revenues:						
Charges for sales and services:						
Service charges	\$ 2,682,611	\$ 846,096	\$ 72,567	\$ 68,127	\$ 3,031,947	\$ 6,701,348
Miscellaneous charges	726	-	-	-	48,778	49,504
Total operating revenues	<u>2,683,337</u>	<u>846,096</u>	<u>72,567</u>	<u>68,127</u>	<u>3,080,725</u>	<u>6,750,852</u>
Operating expenses:						
Personal services	2,607,167	526,277	-	-	1,134,557	4,268,001
Contractual services	2,932,671	205,497	37,662	46,176	1,553,511	4,775,517
Supplies	934,399	80,267	835	-	215,078	1,230,579
Depreciation	603,022	161,524	794	-	4,388	769,728
Miscellaneous	88,605	2,049	-	-	28,269	118,923
Total operating expenses	<u>7,165,864</u>	<u>975,614</u>	<u>39,291</u>	<u>46,176</u>	<u>2,935,803</u>	<u>11,162,748</u>
Operating income (loss)	<u>(4,482,527)</u>	<u>(129,518)</u>	<u>33,276</u>	<u>21,951</u>	<u>144,922</u>	<u>(4,411,896)</u>
Nonoperating revenues (expenses):						
Investment income	148,518	3,487	15,763	3,681	41,974	213,423
Hotel/motel tax	4,909,061	-	-	-	-	4,909,061
Miscellaneous	10,545	-	-	-	-	10,545
Total nonoperating revenue	<u>5,068,124</u>	<u>3,487</u>	<u>15,763</u>	<u>3,681</u>	<u>41,974</u>	<u>5,133,029</u>
Income (loss) before transfers	585,597	(126,031)	49,039	25,632	186,896	721,133
Transfers out	(930,698)	(43,950)	-	-	(151,553)	(1,126,201)
Change in net assets	(345,101)	(169,981)	49,039	25,632	35,343	(405,068)
Total net assets-beginning	<u>8,339,823</u>	<u>2,859,353</u>	<u>1,728,273</u>	<u>130,624</u>	<u>409,757</u>	<u>13,467,830</u>
Total net assets-ending	<u>\$ 7,994,722</u>	<u>\$ 2,689,372</u>	<u>\$ 1,777,312</u>	<u>\$ 156,256</u>	<u>\$ 445,100</u>	<u>\$ 13,062,762</u>

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Business-type Activities Enterprise Funds					Total Nonmajor Enterprise Funds
	Civic Center	Municipal Golf Course	Property Management	Downtown Center Development	Recreation Revolving	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 2,915,197	\$ 852,042	\$ 74,932	\$ 68,127	\$ 3,260,212	\$ 7,170,510
Cash payments to suppliers for goods and services	(4,129,035)	(308,900)	(37,656)	(47,918)	(1,715,925)	(6,239,434)
Cash payments to employees for services	(2,551,067)	(529,239)	-	-	(1,118,535)	(4,198,841)
Net cash provided (used) by operating activities	(3,764,905)	13,903	37,276	20,209	425,752	(3,267,765)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Hotel/motel tax	4,909,061	-	-	-	-	4,909,061
Transfers to other funds	(930,698)	(43,950)	-	-	(151,553)	(1,126,201)
Net cash provided (used) by noncapital financing activities	3,978,363	(43,950)	-	-	(151,553)	3,782,860
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(299,688)	-	-	-	-	(299,688)
Proceeds from insurance damages	10,545	-	-	-	-	10,545
Net cash used by capital and related financing activities	(289,143)	-	-	-	-	(289,143)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities	(605,644)	(19,811)	(62,666)	(17,004)	(201,265)	(906,390)
Proceeds from sale and maturities of investment securities	2,819,019	111,719	260,952	64,399	739,737	3,995,826
Interest on investments	169,798	4,410	17,610	4,109	46,769	242,696
Net cash provided by investing activities	2,383,173	96,318	215,896	51,504	585,241	3,332,132
Net increase in cash and cash equivalents	2,307,488	66,271	253,172	71,713	859,440	3,558,084
Cash and cash equivalents, October 1	1,330,652	52,584	122,791	30,300	348,385	1,884,712
Cash and cash equivalents, September 30	\$ 3,638,140	\$ 118,855	\$ 375,963	\$ 102,013	\$ 1,207,825	\$ 5,442,796

Non-cash disclosure:

Decrease in fair value of investments	(5,322)	\$ (230)	\$ (463)	\$ (108)	\$ (1,207)	\$ (7,330)
Transfer out of capital assets	(21,098)	(22,162)	-	-	-	(43,260)

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(continued)

	Business-type Activities Enterprise Funds					Total Nonmajor Enterprise Funds
	Civic Center	Municipal Golf Course	Property Management	Downtown Center Development	Recreation Revolving	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ (4,482,527)	\$ (129,518)	\$ 33,276	\$ 21,951	\$ 144,922	\$ (4,411,896)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	603,022	161,524	794	-	4,388	769,728
Change in assets and liabilities:						
(Increase) decrease in-						
Accounts receivable	54,761	5,946	2,365	-	(5,103)	57,969
Other receivable	(49,323)	-	-	-	400	(48,923)
Prepaid expenses & other assets	(5,941)	-	-	-	12,347	6,406
Increase (decrease) in-						
Accounts payable	(118,096)	(21,087)	841	(1,742)	68,186	(71,898)
Accrued liabilities	27,660	4,137	-	-	9,088	40,885
Liability for compensated absences	28,440	(7,099)	-	-	8,645	29,986
Customer deposits	-	-	-	-	59,328	59,328
Deferred revenue	177,099	-	-	-	123,551	300,650
Total adjustments	<u>717,622</u>	<u>143,421</u>	<u>4,000</u>	<u>(1,742)</u>	<u>280,830</u>	<u>1,144,131</u>
Net cash provided (used) by operating activities	<u>\$ (3,764,905)</u>	<u>\$ 13,903</u>	<u>\$ 37,276</u>	<u>\$ 20,209</u>	<u>\$ 425,752</u>	<u>\$ (3,267,765)</u>

INTERNAL SERVICE FUNDS

Internal Service Funds accounts for the financing of goods or services provided by one department for another.

The City has six Internal Service Funds as follows:

EQUIPMENT MAINTENANCE FUND- to account for the cost of operating and maintaining automotive and other equipment used by City departments. Service charges are billed to departments on a monthly basis to cover all expenses of the fund, including depreciation of furniture and fixtures, machinery and equipment necessary to provide maintenance services and for replacement of the fleet.

OFFICE SERVICES FUND-to account for the cost of operating a centralized print shop, which performs printing and copying services, as well as interoffice mail delivery and other services, for City departments. Monthly charges are billed to departments to cover costs, including depreciation of furniture and equipment necessary to provide services.

MUNICIPAL WAREHOUSE FUND- to account for the operation of a central warehouse facility which provides the capability of storing and distributing in volume supplies and materials used by City departments. An overhead charge is applied to the purchase price of all materials handled to cover the operating costs, including the cost of goods sold.

TECHNOLOGY SERVICES FUND- to account for the data processing and information systems. Charges for software, hardware and maintenance of the systems are billed to the user funds.

PROPERTY/LIABILITY LOSS FUND- to account for the operation of a self-insurance program for general liability, public officials errors and omission, police professional liability, property loss and worker's compensation.

HEALTH CLAIMS FUND- to account for the self-insurance operation of group accident and health insurance coverage for all City employees. In addition to the basic insurance coverage provided, employees may purchase dependent coverage through payroll deductions. Coverage is financed by billings to the departments and through employee payroll deductions.

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
AS OF SEPTEMBER 30, 2008**

	<u>Equipment Maintenance</u>	<u>Office Services</u>	<u>Municipal Warehouse</u>
ASSETS			
Cash & cash equivalents	\$ 5,175,556	\$ 125	\$ 203,292
Investments	862,638	-	33,868
Receivables			
Accounts	-	-	4,969
Accrued interest	12,167	-	478
Other	-	74	-
Interfund receivables			
Environmental waste services fund	226,133	-	-
Due from other governments	29	-	-
Inventories	139,518	15,008	898,536
Prepaid items	991	215	-
Restricted assets:			
Cash & cash equivalents	-	-	-
Investments	-	-	-
Accrued interest receivable	-	-	-
Capital assets:			
Land	51,515	-	-
Buildings	5,264,915	-	-
Equipment	8,293,637	300,386	118,522
Furniture & fixtures	42,662	449	11,200
Rolling equipment	57,917,382	-	-
Less accumulated depreciation	<u>(49,159,140)</u>	<u>(251,420)</u>	<u>(124,587)</u>
Total capital assets (net of accumulated depreciation)	<u>22,410,971</u>	<u>49,415</u>	<u>5,135</u>
Total Assets	<u>28,828,003</u>	<u>64,837</u>	<u>1,146,278</u>
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts payable	840,829	60,287	223,284
Accrued liabilities	184,800	18,964	60,570
Due to other funds	-	277,029	-
Liability for insurance claims	-	-	-
Total current liabilities	<u>1,025,629</u>	<u>356,280</u>	<u>283,854</u>
NONCURRENT LIABILITIES:			
Liability for insurance claims	-	-	-
Total Liabilities	<u>1,025,629</u>	<u>356,280</u>	<u>283,854</u>
NET ASSETS (DEFICIT)			
Invested in capital assets	22,143,188	49,415	5,135
Unrestricted (deficit)	<u>5,659,186</u>	<u>(340,858)</u>	<u>857,289</u>
Total net assets (deficit)	<u>\$ 27,802,374</u>	<u>\$ (291,443)</u>	<u>\$ 862,424</u>

	Technology Services	Property/ Liability Loss	Health Claims	Total
\$	15,458,417	\$ 4,811,212	\$ 6,794,879	\$ 32,443,481
	2,576,638	801,942	1,132,583	5,407,669
	6,116	119,231	2,398	132,714
	36,342	11,311	15,974	76,272
	923	-	-	997
	-	-	-	226,133
	-	-	-	29
	-	-	-	1,053,062
	23,001	355	136,125	160,687
	2,660,829	-	-	2,660,829
	443,512	-	-	443,512
	6,256	-	-	6,256
	11,007	-	-	62,522
	488,955	-	-	5,753,870
	31,007,052	549,620	-	40,269,217
	65,390	6,735	-	126,436
	-	-	-	57,917,382
	(20,617,209)	(556,355)	-	(70,708,711)
	10,955,195	-	-	33,420,716
	32,167,229	5,744,051	8,081,959	76,032,357
	491,550	376,973	23,697	2,016,620
	916,543	212,305	-	1,393,182
	-	-	-	277,029
	-	2,223,768	4,078,422	6,302,190
	1,408,093	2,813,046	4,102,119	9,989,021
	-	1,240,283	-	1,240,283
	1,408,093	4,053,329	4,102,119	11,229,304
	13,989,282	-	-	36,187,020
	16,769,854	1,690,722	3,979,840	28,616,033
\$	30,759,136	\$ 1,690,722	\$ 3,979,840	\$ 64,803,053

**CITY OF PLANO, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	<u>Equipment Maintenance</u>	<u>Office Services</u>	<u>Municipal Warehouse</u>
REVENUES:			
Charges for services	\$ 16,462,586	\$ 1,039,244	\$ 3,363,591
Miscellaneous	148	8,221	19,868
Total operating revenues	<u>16,462,734</u>	<u>1,047,465</u>	<u>3,383,459</u>
EXPENSES:			
Personal services	2,431,831	280,965	476,507
Contractual services	1,106,962	298,428	42,927
Supplies	3,978,654	382,792	2,774,792
Claims expense	-	-	-
Depreciation	5,563,597	4,614	429
Other post employment benefits	-	-	-
Miscellaneous	10,315	1,461	26,414
Total operating expenses	<u>13,091,359</u>	<u>968,260</u>	<u>3,321,069</u>
Operating income (loss)	<u>3,371,375</u>	<u>79,205</u>	<u>62,390</u>
NONOPERATING REVENUES (EXPENSES):			
Investment income	285,964	-	7,910
Gain (loss) on capital asset disposal	377,479	-	58,993
Intergovernmental revenues	882	-	-
Miscellaneous	18,728	-	3,490
Total nonoperating revenues	<u>683,053</u>	<u>-</u>	<u>70,393</u>
Income (loss) before transfers	4,054,428	79,205	132,783
Transfers in	-	-	-
Transfers out	-	-	-
Change in net assets	<u>4,054,428</u>	<u>79,205</u>	<u>132,783</u>
Total net assets (deficit)-beginning	23,747,946	(370,648)	729,641
Total net assets (deficit)-ending	<u>\$ 27,802,374</u>	<u>\$ (291,443)</u>	<u>\$ 862,424</u>

Technology Services	Property/ Liability Loss	Health Claims	Total
\$ 13,851,649	\$ 2,778,066	\$ 23,118,078	\$60,613,214
12,666	480,194	-	521,097
<u>13,864,315</u>	<u>3,258,260</u>	<u>23,118,078</u>	<u>61,134,311</u>
4,733,368	383,719	-	8,306,390
5,973,979	2,478,860	2,738,197	12,639,353
1,238,664	111,645	-	8,486,547
-	2,158,070	17,398,794	19,556,864
1,546,593	45,764	-	7,160,997
-	-	23,934,554	23,934,554
2,796	7,754	-	48,740
<u>13,495,400</u>	<u>5,185,812</u>	<u>44,071,545</u>	<u>80,133,445</u>
<u>368,915</u>	<u>(1,927,552)</u>	<u>(20,953,467)</u>	<u>(18,999,134)</u>
793,542	299,337	879,421	2,266,174
(3,046)	-	-	433,426
-	-	-	882
7,869	-	-	30,087
<u>798,365</u>	<u>299,337</u>	<u>879,421</u>	<u>2,730,569</u>
1,167,280	(1,628,215)	(20,074,046)	(16,268,565)
-	-	-	-
(250,000)	-	-	(250,000)
<u>917,280</u>	<u>(1,628,215)</u>	<u>(20,074,046)</u>	<u>(16,518,565)</u>
29,841,856	3,318,937	24,053,886	81,321,618
<u>\$ 30,759,136</u>	<u>\$ 1,690,722</u>	<u>\$ 3,979,840</u>	<u>\$64,803,053</u>

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Equipment Maintenance	Office Services	Municipal Warehouse
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 16,480,433	\$ 1,047,399	\$ 3,380,302
Cash payments to suppliers for goods and services	(4,922,650)	(799,632)	(2,943,216)
Cash payments to employees for services	(2,422,596)	(287,872)	(472,253)
Net cash provided (used) by operating activities	<u>9,135,187</u>	<u>(40,105)</u>	<u>(35,167)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Advances from other funds	-	277,029	-
Repayments (to) from other other funds	214,142	(236,799)	-
Transfers (to) from other funds	-	-	-
Grant receipts	882	-	-
Net cash provided (used) by noncapital financing activities	<u>215,024</u>	<u>40,230</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(10,415,723)	-	(5,250)
Proceeds on sale of equipment	400,844	-	58,993
Proceeds from insurance damages	18,728	-	3,490
Net cash provided (used) by capital and related financing activities	<u>(9,996,151)</u>	<u>-</u>	<u>57,233</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investment securities	(862,638)	-	(33,868)
Proceeds from sales and maturities of investment securities	4,327,412	456	140,149
Interest on investments	319,882	(456)	8,898
Net cash provided by investing activities	<u>3,784,656</u>	<u>-</u>	<u>115,179</u>
Net increase (decrease) in cash and cash equivalents	3,138,716	125	137,245
Cash and cash equivalents, October 1	<u>2,036,840</u>	<u>-</u>	<u>66,047</u>
Cash and cash equivalents, September 30	<u><u>\$ 5,175,556</u></u>	<u><u>\$ 125</u></u>	<u><u>\$ 203,292</u></u>
Non-cash disclosure:			
Increase (decrease) in fair value of investments	\$ (8,473)	\$ 456	\$ (248)
Transfer in (out) of capital assets	-	(26,402)	-

Technology Services	Property/ Liability Loss	Health Claims	Total
\$ 14,008,368	\$ 3,183,307	\$ 23,131,190	\$ 61,230,999
(7,265,515)	(4,642,836)	(43,180,158)	(63,754,007)
(4,649,373)	(363,430)	-	(8,195,524)
<u>2,093,480</u>	<u>(1,822,959)</u>	<u>(20,048,968)</u>	<u>(10,718,532)</u>
-	-	-	277,029
-	(8,210)	-	(30,867)
(250,000)	-	-	(250,000)
-	-	-	882
<u>(250,000)</u>	<u>(8,210)</u>	<u>-</u>	<u>(2,956)</u>
(2,786,736)	-	-	(13,207,709)
-	-	-	459,837
7,869	-	-	30,087
<u>(2,778,867)</u>	<u>-</u>	<u>-</u>	<u>(12,717,785)</u>
(3,020,150)	(801,942)	(1,132,583)	(5,851,181)
14,399,803	4,830,414	18,292,380	41,990,614
899,930	340,197	1,069,663	2,638,114
<u>12,279,583</u>	<u>4,368,669</u>	<u>18,229,460</u>	<u>38,777,547</u>
11,344,196	2,537,500	(1,819,508)	15,338,274
<u>6,775,050</u>	<u>2,273,712</u>	<u>8,614,387</u>	<u>19,766,036</u>
<u>\$ 18,119,246</u>	<u>\$ 4,811,212</u>	<u>\$ 6,794,879</u>	<u>\$ 35,104,310</u>
\$ (23,868)	\$ (10,182)	\$ (47,130)	\$ (89,445)
80,373	(36,998)	-	16,973

(continued)

**CITY OF PLANO, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (continued)**

	<u>Equipment Maintenance</u>	<u>Office Services</u>	<u>Municipal Warehouse</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	<u>\$ 3,371,375</u>	<u>\$ 79,205</u>	<u>\$ 62,390</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expenses	5,563,597	4,614	429
Changes in assets and liabilities-			
(Increase) decrease in			
Accounts receivable	-	(66)	(3,157)
Other receivable	8	-	-
Due from other funds	17,635	-	-
Due from other governments	56	-	-
Prepaid items	1,132	(215)	-
Inventories	(34,111)	(2,730)	(38,857)
Increase (decrease) in			
Accounts payable	206,260	(114,006)	(60,226)
Accrued liabilities	9,235	(6,907)	4,254
Liability for insurance claims	-	-	-
Total adjustments	<u>5,763,812</u>	<u>(119,310)</u>	<u>(97,557)</u>
Net cash provided (used) by operating activities	<u>\$ 9,135,187</u>	<u>\$ (40,105)</u>	<u>\$ (35,167)</u>

<u>Technology Services</u>	<u>Property/ Liability Loss</u>	<u>Health Claims</u>	<u>Total</u>
<u>\$ 368,915</u>	<u>\$(1,927,552)</u>	<u>\$(20,953,467)</u>	<u>\$(18,999,134)</u>
1,546,593	45,764	-	7,160,997
(5,947)	(84,897)	13,112	(80,955)
-	335	-	343
150,000	9,609	-	177,244
-	-	-	56
7,152	195	17,875	26,139
-	-	-	(75,698)
(57,228)	195,320	(39,827)	130,293
83,995	20,289	-	110,866
-	(82,022)	913,339	831,317
<u>1,724,565</u>	<u>104,593</u>	<u>904,499</u>	<u>8,280,602</u>
<u><u>\$ 2,093,480</u></u>	<u><u>\$(1,822,959)</u></u>	<u><u>\$(20,048,968)</u></u>	<u><u>\$(10,718,532)</u></u>

AGENCY FUNDS

DEVELOPERS' ESCROW FUND- to account for escrow received from developers. The escrow will be used for construction of improvements to be made by the City.

UNCLAIMED PROPERTY FUND- to account for assets under \$100, which have been issued by the City but remain unclaimed. Disposition is made upon claim by rightful owners.

**CITY OF PLANO, TEXAS
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 AS OF SEPTEMBER 30, 2008**

	<u>Agency Funds</u>		<u>Total Agency Funds</u>
	<u>Developers' Escrow</u>	<u>Unclaimed Property</u>	
ASSETS			
Cash and cash equivalents	\$ 3,579,498	\$ 48,503	\$ 3,628,001
Investments	596,637	8,084	604,721
Accrued interest	8,415	114	8,529
Total Assets	<u>4,184,550</u>	<u>56,701</u>	<u>4,241,251</u>
LIABILITIES			
Developers' escrow liability	4,184,550	-	4,184,550
Unclaimed property payable	-	56,701	56,701
Total Liabilities	<u>\$ 4,184,550</u>	<u>\$ 56,701</u>	<u>\$ 4,241,251</u>

CITY OF PLANO, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Balance</u> <u>October 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30, 2008</u>
Developers' Escrow Fund				
ASSETS				
Cash and cash equivalents	\$ 1,306,361	\$ 2,273,137	\$ -	\$ 3,579,498
Investments	2,781,163	-	2,184,526	596,637
Accrued interest receivable	24,125	-	15,710	8,415
Total assets	<u>\$ 4,111,649</u>	<u>\$ 2,273,137</u>	<u>\$ 2,200,236</u>	<u>\$ 4,184,550</u>
LIABILITIES				
Developers' escrow liability	4,111,649	72,901	-	4,184,550
Total liabilities	<u>\$ 4,111,649</u>	<u>\$ 72,901</u>	<u>\$ -</u>	<u>\$ 4,184,550</u>
Unclaimed Property Fund				
ASSETS				
Cash and cash equivalents	\$ 16,450	\$ 32,053	\$ -	\$ 48,503
Investments	35,021	-	26,937	8,084
Accrued interest receivable	304	-	190	114
Total assets	<u>\$ 51,775</u>	<u>\$ 32,053</u>	<u>\$ 27,127</u>	<u>\$ 56,701</u>
LIABILITIES				
Unclaimed property payable	51,775	4,926	-	56,701
Total liabilities	<u>\$ 51,775</u>	<u>\$ 4,926</u>	<u>\$ -</u>	<u>\$ 56,701</u>
Total Fiduciary Funds				
ASSETS				
Cash and cash equivalents	\$ 1,322,811	\$ 2,305,190	\$ -	\$ 3,628,001
Investments	2,816,184	-	2,211,463	604,721
Accrued interest receivable	24,429	-	15,900	8,529
Total assets	<u>\$ 4,163,424</u>	<u>\$ 2,305,190</u>	<u>\$ 2,227,363</u>	<u>\$ 4,241,251</u>
LIABILITIES				
Developers' escrow liability	4,111,649	72,901	-	4,184,550
Unclaimed property payable	51,775	4,926	-	56,701
Total liabilities	<u>\$ 4,163,424</u>	<u>\$ 77,827</u>	<u>\$ -</u>	<u>\$ 4,241,251</u>

COMPONENT UNITS

ECONOMIC DEVELOPMENT BOARD- organized to account for various financial and administrative services and a majority of funding provided to the Board by the City. The Board is legally separate from the City and does not appoint a majority of its governing board; however, the City Manager is a designated position on the Board and City Council appoints one member who must be a City Council Member to serve on the Board.

TIF MALL- organized to account for a tax increment financing unit for project improvements within the City. The City and Taubman Realty Group Limited Partnership entered into an agreement for the development of a regional mall.

TIF EAST SIDE- organized to account for a tax increment financing unit for improvements related to the future development of East Plano.

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF FUND NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
AS OF SEPTEMBER 30, 2008**

	<u>Economic Development</u>	<u>TIF Mall</u>	<u>TIF East Side</u>	<u>Total</u>
ASSETS				
Current:				
Cash and cash equivalents	\$ 10,616,158	\$ -	\$ 5,134,497	15,750,655
Investments	1,769,488	-	855,827	2,625,315
Receivables:				
Accrued interest	24,957	-	12,071	37,028
Prepaid expenses & other assets	5,257	-	-	5,257
Noncurrent:				
Capital assets, net	5,207	-	4,341,026	4,346,233
Total Assets	<u>12,421,067</u>	<u>-</u>	<u>10,343,421</u>	<u>22,764,488</u>
LIABILITIES				
Current:				
Accounts payable	15,390	-	-	15,390
Accrued liabilities	60,076	-	-	60,076
Notes payable	-	-	776,433	776,433
Compensated absences	5,377	-	-	5,377
Long-term:				
Notes payable	-	5,742,533	-	5,742,533
Compensated absences	84,647	-	-	84,647
Total Liabilities	<u>165,490</u>	<u>5,742,533</u>	<u>776,433</u>	<u>6,684,456</u>
NET ASSETS (DEFICIT)				
Invested in capital assets (net of related debt)	5,207	-	4,341,026	4,346,233
Unrestricted	12,250,370	(5,742,533)	5,225,962	11,733,799
Total Net Assets (Deficit)	<u>\$ 12,255,577</u>	<u>\$ (5,742,533)</u>	<u>\$ 9,566,988</u>	<u>\$ 16,080,032</u>

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Economic Development	TIF Mall	TIF East Side	Total
REVENUES				
Charges for services	\$ 6,985,489	\$ -	\$ -	\$ 6,985,489
Miscellaneous	11,419	-	5,000	16,419
Total revenues	<u>6,996,908</u>	<u>-</u>	<u>5,000</u>	<u>7,001,908</u>
EXPENSES				
Personal services	557,760	-	-	557,760
Contractual services	1,432,958	5,040,164	4,614,935	11,088,057
Supplies	21,413	-	-	21,413
Depreciation	3,135	-	335,164	338,299
Miscellaneous	27,600	-	-	27,600
Total operating expenses	<u>2,042,866</u>	<u>5,040,164</u>	<u>4,950,099</u>	<u>12,033,129</u>
Operating income (loss)	4,954,042	(5,040,164)	(4,945,099)	(5,031,221)
NONOPERATING REVENUES (EXPENSES)				
Property taxes	-	4,989,314	3,646,769	8,636,083
Investment income	360,659	-	-	360,659
Interest expense	-	(325,001)	(90,535)	(415,536)
Total nonoperating revenues	<u>360,659</u>	<u>4,664,313</u>	<u>3,556,234</u>	<u>8,581,206</u>
Change in net assets	5,314,701	(375,851)	(1,388,865)	3,549,985
Total net assets (deficit)-beginning	6,940,876	(5,366,682)	10,955,853	12,530,047
Total net assets (deficit)-ending	<u>\$ 12,255,577</u>	<u>\$ (5,742,533)</u>	<u>\$ 9,566,988</u>	<u>\$ 16,080,032</u>

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Economic Development	TIF Mall	TIF East Side	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 6,996,908	\$ -	\$ 5,000	\$ 7,001,908
Cash payments to suppliers for goods and services	(1,644,817)	(4,714,314)	(4,614,935)	(10,974,066)
Cash payments to employees for services	(530,117)	-	-	(530,117)
Net cash provided (used) by operating activities	<u>4,821,974</u>	<u>(4,714,314)</u>	<u>(4,609,935)</u>	<u>(4,502,275)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Property taxes	-	4,989,314	3,646,769	8,636,083
Net cash provided by noncapital financing activities	<u>-</u>	<u>4,989,314</u>	<u>3,646,769</u>	<u>8,636,083</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Payment on note payable	-	-	(732,483)	(732,483)
Interest expense	-	(325,001)	(90,535)	(415,536)
Net cash used for operating and related financing activities	<u>-</u>	<u>(325,001)</u>	<u>(823,018)</u>	<u>(1,148,019)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of investment securities	(1,769,488)	-	(855,827)	(2,625,315)
Proceeds from sales and maturities of investment securities	4,882,964	33,725	5,257,120	10,173,809
Interest on investments	384,088	390	44,786	429,264
Net cash provided by investing activities	<u>3,497,564</u>	<u>34,115</u>	<u>4,446,079</u>	<u>7,977,758</u>
Net increase (decrease) in cash and cash equivalents	8,319,538	(15,886)	2,659,895	10,963,547
Cash and cash equivalents, October 1	<u>2,296,620</u>	<u>15,886</u>	<u>2,474,602</u>	<u>4,787,108</u>
Cash and cash equivalents, September 30	<u>\$ 10,616,158</u>	<u>\$ -</u>	<u>\$ 5,134,497</u>	<u>\$ 15,750,655</u>
Non-cash disclosure:				
Capitalize interest on note payable	\$ -	\$ 325,001	\$ 90,535	\$ 415,536

**CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(continued)**

	<u>Economic Development</u>	<u>TIF Mall</u>	<u>TIF East Side</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ 4,954,042</u>	<u>\$(5,040,164)</u>	<u>\$(4,945,099)</u>	<u>\$ (5,031,221)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expenses	3,135	-	335,164	338,299
Changes in assets and liabilities-				
(Increase) decrease in				
Prepaid expenses	2,793	-	-	2,793
Increase (decrease) in				
Accounts payable	(165,639)	-	-	(165,639)
Notes payable	-	325,850	-	325,850
Accrued liabilities	27,643	-	-	27,643
Total adjustments	<u>(132,068)</u>	<u>325,850</u>	<u>335,164</u>	<u>528,946</u>
Net cash provided (used) by operating activities	<u>\$ 4,821,974</u>	<u>\$(4,714,314)</u>	<u>\$(4,609,935)</u>	<u>\$ (4,502,275)</u>

CITY OF PLANO, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE¹
AS OF SEPTEMBER 30, 2008 (unaudited)

Governmental activities capital assets:	2008	2007
Land	\$ 106,928,486	\$ 104,690,461
Construction in progress	180,710,351	163,432,467
Buildings	96,054,185	95,276,910
Improvements other than buildings	85,244,071	78,670,633
Equipment	79,626,177	68,511,758
Public art	1,648,740	1,378,000
Infrastructure	879,883,057	859,244,084
Total governmental funds capital assets	\$ 1,430,095,067	\$ 1,371,204,313
Investments in governmental activities capital assets by source:		
General fund	\$ 283,018,384	\$ 269,086,977
Park improvements fund	85,244,071	78,670,633
Special revenue fund	968,464	642,153
Capital projects fund	1,060,864,148	1,022,804,550
	\$ 1,430,095,067	\$ 1,371,204,313

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**CITY OF PLANO, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY¹
AS OF SEPTEMBER 30, 2008 (unaudited)**

Function and Activity	Land	Construction in Progress	Buildings	Improvements Other Than Buildings	Equipment	Public Art	Infrastructure	Total
Administrative Services:								
City Council	\$ -	\$ -	\$ -	\$ -	\$ 4,301	\$ -	\$ -	\$ 4,301
Administration	-	-	-	-	78,044	-	-	78,044
Legal	-	-	-	-	118,563	-	-	118,563
City Secretary	-	-	-	-	43,804	-	-	43,804
Internal Audit	-	-	-	-	11,944	-	-	11,944
Finance	-	-	-	-	26,238	-	-	26,238
Financial Systems Administration	-	-	-	-	10,148	-	-	10,148
Accounting	-	-	-	-	122,723	-	-	122,723
Budget	-	-	-	-	117,558	-	-	117,558
Administrative Services	-	-	-	-	12,636	-	-	12,636
Purchasing	-	-	-	-	50,998	-	-	50,998
Human Resources	-	-	-	-	119,789	-	-	119,789
	-	-	-	-	716,746	-	-	716,746
Police:								
Municipal Court Judge	2,780,978	-	6,178,741	-	43,932	-	-	9,003,651
Municipal Court Administration	-	-	-	-	395,469	-	-	395,469
Public Safety Administration	-	-	-	-	2,144,719	-	-	2,144,719
Community Response	-	-	-	-	17,446	-	-	17,446
Police	4,592,859	-	11,566,420	-	9,742,294	-	-	25,901,573
Emergency 911	-	-	368,383	-	4,964,893	-	-	5,333,276
	7,373,837	-	18,113,544	-	17,308,753	-	-	42,796,134
Fire:								
Fire	7,909,347	-	14,435,690	-	8,148,971	-	-	30,494,008
Fire-Civilian	-	-	-	-	24,254	-	-	24,254
Fire Marshal	-	-	-	-	76,262	-	-	76,262
	7,909,347	-	14,435,690	-	8,249,487	-	-	30,594,524
Libraries:								
Library Administration	-	-	-	-	2,955,607	-	-	2,955,607
Technical Services	-	-	-	-	14,021,519	-	-	14,021,519
Harrington Library	1,244,216	-	2,759,632	-	683,118	-	-	4,686,966
Schimepfenig Library	1,445,885	-	3,199,362	-	184,273	-	-	4,829,520
Haggard Library	1,551,303	-	3,436,684	-	1,645,489	-	-	6,633,476
Davis Library	2,046,883	-	4,513,662	-	45,541	-	-	6,606,086
Parr Library	1,757,104	-	3,867,355	-	-	-	-	5,624,459
	8,045,391	-	17,776,695	-	19,535,547	-	-	45,357,633
Development:								
Building Administration	79,989	-	51,782	-	-	-	-	131,771
Building Maintenance	-	-	-	-	46,009	-	-	46,009
Building Maintenance	-	-	109,968	-	664,732	-	-	774,700
Custodial Services	-	-	-	-	3,251	-	-	3,251
Engineering	-	-	-	-	146,865	-	-	146,865
Capital Projects Coordination	-	-	-	-	219,754	-	-	219,754
Development	-	-	-	-	28,898	-	-	28,898
Community Services Administration	-	-	-	-	37,915	-	-	37,915
Community Development Administration	-	-	-	-	285,151	-	-	285,151
Planning	220,899	-	-	-	989,656	-	-	1,210,555
Transportation Engineering	-	-	-	-	93,671	-	-	93,671
Building Inspection	-	-	-	-	401,422	-	-	401,422
	300,888	-	161,750	-	2,917,324	-	-	3,379,962
Public Services and Operations:								
Public Information	-	-	-	-	889,435	-	-	889,435
Records Management	-	-	-	-	60,470	-	-	60,470
Environmental Health	-	-	-	-	227,383	-	-	227,383
Animal Control	101,571	-	2,409,927	-	330,766	-	-	2,842,264
	101,571	-	2,409,927	-	1,508,054	-	-	4,019,552

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

(continued)

CITY OF PLANO, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY¹
AS OF SEPTEMBER 30, 2008 (unaudited)
(continued)

Function and Activity	Improvements							Total
	Land	Construction in Progress	Buildings	Other Than Buildings	Equipment	Public Art	Infrastructure	
Parks and Recreation:	57,664,013	-	-	-	-	-	-	57,664,013
Parks and Recreation Administration	-	-	-	-	193,623	-	-	193,623
Park Administration	-	-	-	-	131,460	-	-	131,460
Park Planning	-	-	-	-	202,305	-	-	202,305
Park Development	2,059,236	-	11,700	-	184,293	-	-	2,255,229
Park Grounds Maintenance	-	-	215,854	-	801,563	-	-	1,017,417
Public Buildings Grounds Maintenance	-	-	-	-	116,158	-	-	116,158
Athletic Fields Grounds Maintenance	-	-	-	-	38,888	-	-	38,888
Championship Youth Ballpark	-	-	-	-	2,686	-	-	2,686
Median Maintenance	-	-	-	-	20,061	-	-	20,061
Creative Arts	25,797	-	555,007	-	30,432	-	-	611,236
Recreation Administration	-	-	-	-	362,775	-	-	362,775
Athletics	44	-	-	-	60,456	-	-	60,500
Special Activities	-	-	-	-	43,660	-	-	43,660
Aquatics	-	-	1,490,714	-	148,106	-	-	1,638,820
Tennis Center	-	-	85,426	-	7,835	-	-	93,261
Senior Services	1,861,895	-	4,129,627	-	156,123	-	-	6,147,645
Recreation Centers	784,700	-	12,491,983	-	1,515,063	-	-	14,791,746
Park Improvements	4,710,284	-	-	85,244,071	-	-	-	89,954,355
	<u>67,105,969</u>	<u>-</u>	<u>18,980,311</u>	<u>85,244,071</u>	<u>4,015,487</u>	<u>-</u>	<u>-</u>	<u>175,345,838</u>
General Government:	8,332,543	-	24,176,268	-	14,209,528	-	-	46,718,339
Enterprise Center	-	-	-	-	16,705	-	-	16,705
Productivity Bank	-	-	-	-	52,090	-	-	52,090
Downtown Advocacy	-	-	-	-	2,168	-	-	2,168
Volunteer Services	-	-	-	-	4,296	-	-	4,296
Tax Collections	-	-	-	-	302,069	-	-	302,069
Youth Advisory Committee	-	-	-	-	7,180	-	-	7,180
Telecommunications	-	-	-	-	425,506	-	-	425,506
	<u>8,332,543</u>	<u>-</u>	<u>24,176,268</u>	<u>-</u>	<u>15,019,542</u>	<u>-</u>	<u>-</u>	<u>47,528,353</u>
Public Works:	6,947,956	-	-	-	-	-	-	6,947,956
Public Works Administration	-	-	-	-	191,548	-	-	191,548
Streets and Traffic Administration	-	-	-	-	2,744,200	-	-	2,744,200
Streets	810,984	-	-	-	3,193,654	-	-	4,004,638
Signals	-	-	-	-	410,145	-	-	410,145
Signs and Markings	-	-	-	-	903,158	-	-	903,158
Sign Shop	-	-	-	-	186,012	-	-	186,012
Street and ROW Coordination	-	-	-	-	678,856	-	-	678,856
Infrastructure	-	-	-	-	-	-	879,883,057	879,883,057
	<u>7,758,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,307,573</u>	<u>-</u>	<u>879,883,057</u>	<u>895,949,570</u>
Construction in Progress	-	180,710,351	-	-	-	-	-	180,710,351
	<u>-</u>	<u>180,710,351</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,710,351</u>
Public Art	-	-	-	-	-	1,648,740	-	1,648,740
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,648,740</u>	<u>-</u>	<u>1,648,740</u>
Other:	-	-	-	-	-	-	-	-
Non-departmental	-	-	-	-	2,047,664	-	-	2,047,664
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,047,664</u>	<u>-</u>	<u>-</u>	<u>2,047,664</u>
Total governmental funds capital assets	<u>\$ 106,928,486</u>	<u>\$ 180,710,351</u>	<u>\$ 96,054,185</u>	<u>\$ 85,244,071</u>	<u>\$ 79,626,177</u>	<u>\$ 1,648,740</u>	<u>\$ 879,883,057</u>	<u>\$ 1,430,095,067</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**CITY OF PLANO, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY¹
FOR THE YEAR ENDED SEPTEMBER 30, 2008 (unaudited)**

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	October 1, 2007	Additions	Deductions	September 30, 2008
Administrative Services:				
City Council	\$ 4,301	\$ -	\$ -	\$ 4,301
Administration	71,644	6,400	-	78,044
Legal	106,661	11,902	-	118,563
City Secretary	44,484	-	680	43,804
Internal Audit	11,944	-	-	11,944
Finance	26,238	-	-	26,238
Financial Systems Administration	10,148	-	-	10,148
Accounting	122,723	-	-	122,723
Budget	117,558	-	-	117,558
Administrative Services	12,636	-	-	12,636
Purchasing	50,998	-	-	50,998
Human Resources	119,789	-	-	119,789
	<u>699,124</u>	<u>18,302</u>	<u>680</u>	<u>716,746</u>
Police:				
Municipal Court Judge	8,993,035	10,616	-	9,003,651
Municipal Court Administration	403,268	-	7,799	395,469
Public Safety Administration	2,144,719	-	-	2,144,719
Community Response	17,446	-	-	17,446
Police	25,136,604	1,114,832	349,863	25,901,573
Emergency 911	4,940,791	431,212	38,727	5,333,276
	<u>41,635,863</u>	<u>1,556,660</u>	<u>396,389</u>	<u>42,796,134</u>
Fire:				
Fire	30,389,244	657,271	552,507	30,494,008
Fire-Civilian	24,254	-	-	24,254
Fire Marshal	76,262	-	-	76,262
	<u>30,489,760</u>	<u>657,271</u>	<u>552,507</u>	<u>30,594,524</u>
Libraries:				
Library Administration	2,955,607	-	-	2,955,607
Technical Services	12,992,086	1,029,433	-	14,021,519
Harrington Library	4,398,004	295,016	6,054	4,686,966
Schimelpfenig Library	4,829,903	-	383	4,829,520
Haggard Library	6,405,378	236,252	8,154	6,633,476
Davis Library	6,606,086	-	-	6,606,086
Parr Library	5,624,459	-	-	5,624,459
	<u>43,811,523</u>	<u>1,560,701</u>	<u>14,591</u>	<u>45,357,633</u>
Development:				
Building Administration	131,771	-	-	131,771
Building Maintenance	46,009	-	-	46,009
Building Maintenance	734,805	97,547	57,652	774,700
Custodial Services	3,251	-	-	3,251
Engineering	146,865	-	-	146,865
Capital Projects Coordination	219,754	-	-	219,754
Development	28,898	44,146	44,146	28,898
Community Services Administration	37,915	-	-	37,915
Community Development Administration	285,151	-	-	285,151
Planning	1,210,555	15,372	15,372	1,210,555
Transportation Engineering	93,671	-	-	93,671
Building Inspection	401,422	-	-	401,422
	<u>3,340,067</u>	<u>157,065</u>	<u>117,170</u>	<u>3,379,962</u>
Public Services and Operations:				
Public Information	866,811	28,478	5,854	889,435
Records Management	60,470	-	-	60,470
Environmental Health	231,799	7,038	11,454	227,383
Animal Control	2,842,264	-	-	2,842,264
	<u>4,001,344</u>	<u>35,516</u>	<u>17,308</u>	<u>4,019,552</u>

¹This schedule presents only the capital asset balar (continued)

(continued)

Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF PLANO, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY¹
FOR THE YEAR ENDED SEPTEMBER 30, 2008 (unaudited)
(continued)

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	October 1, 2007	Additions	Deductions	September 30, 2008
Parks and Recreation:	60,564,232	1,810,065	-	62,374,297
Parks and Recreation Administration	128,391	65,232	-	193,623
Park Administration	131,460	64,541	64,541	131,460
Park Planning	202,305	611	611	202,305
Park Development	2,240,291	102,580	87,642	2,255,229
Park Grounds Maintenance	1,017,429	133,243	133,255	1,017,417
Public Buildings Grounds Maintenance	116,158	-	-	116,158
Athletic Fields Grounds Maintenance	38,873	166,722	166,707	38,888
Championship Youth Ballpark	2,686	-	-	2,686
Median Maintenance	20,061	-	-	20,061
Creative Arts	580,804	35,398	4,966	611,236
Recreation Administration	362,775	-	-	362,775
Athletics	55,750	5,750	1,000	60,500
Special Activities	43,660	-	-	43,660
Aquatics	1,638,820	-	-	1,638,820
Tennis Center	93,261	-	-	93,261
Senior Services	6,148,405	-	760	6,147,645
Recreation Centers	14,287,019	504,727	-	14,791,746
Park Improvements	78,670,633	6,573,438	-	85,244,071
	<u>166,343,013</u>	<u>9,462,307</u>	<u>459,482</u>	<u>175,345,838</u>
General Government:	38,477,032	8,317,634	76,327	46,718,339
Enterprise Center	16,705	-	-	16,705
Productivity Bank	52,090	-	-	52,090
Downtown Advocacy	2,168	-	-	2,168
Volunteer Services	4,296	-	-	4,296
Tax Collections	302,069	-	-	302,069
Youth Advisory Committee	7,180	-	-	7,180
Telecommunications	425,506	-	-	425,506
	<u>39,287,046</u>	<u>8,317,634</u>	<u>76,327</u>	<u>47,528,353</u>
Public Works:	6,947,956	-	-	6,947,956
Public Works Administration	191,548	-	-	191,548
Streets and Traffic Administration	2,744,200	-	-	2,744,200
Streets	3,432,483	573,427	1,272	4,004,638
Signals	410,145	69,383	69,383	410,145
Signs and Markings	903,158	-	-	903,158
Sign Shop	186,012	-	-	186,012
Street and ROW Coordination	678,856	-	-	678,856
Infrastructure	859,244,084	20,638,973	-	879,883,057
	<u>874,738,442</u>	<u>21,281,783</u>	<u>70,655</u>	<u>895,949,570</u>
Construction in progress	<u>163,432,467</u>	<u>51,362,807</u>	<u>34,084,923</u>	<u>180,710,351</u>
	<u>163,432,467</u>	<u>51,362,807</u>	<u>34,084,923</u>	<u>180,710,351</u>
Public Art	<u>1,378,000</u>	<u>270,740</u>	-	<u>1,648,740</u>
	<u>1,378,000</u>	<u>270,740</u>	-	<u>1,648,740</u>
Other:				
Non-departmental	<u>2,047,664</u>	-	-	<u>2,047,664</u>
	<u>2,047,664</u>	-	-	<u>2,047,664</u>
	<u>\$ 1,371,204,313</u>	<u>\$ 94,680,786</u>	<u>\$ 35,790,032</u>	<u>\$ 1,430,095,067</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**STATISTICAL SECTION
(unaudited)**

Tables in the statistical section present detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the City.

	<u>Pages</u>
<u>Financial Trends</u> - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	103-108
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	109-112
<u>Debt Capacity</u> - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	113-118
<u>Demographic and Economic Information</u> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	119-120
<u>Operating Information</u> - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	121-125

CITY OF PLANO, TEXAS
NET ASSETS
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)
(unaudited)

	Fiscal Year							
	2008	2007	2006	2005	2004	2003	2002	2001
Governmental activities								
Invested in capital assets, net of related debt	\$700,704,326	\$680,315,170	\$650,438,402	\$613,733,146	\$589,409,075	\$479,414,392	\$461,267,761	\$425,662,237
Restricted	5,473,218	4,647,374	2,149,959	1,922,052	216,903	87,341,705	97,815,890	68,789,774
Unrestricted	78,416,391	78,312,580	75,071,790	56,238,723	51,176,536	49,956,552	35,423,813	64,644,053
Total governmental activities net assets	\$784,593,935	\$763,275,124	\$727,660,151	\$671,893,921	\$640,802,514	\$616,712,649	\$594,507,464	\$559,096,064
Business-type activities								
Invested in capital assets, net of related debt	\$376,593,433	\$370,233,734	\$356,802,993	\$350,430,598	\$347,518,646	\$313,029,967	\$305,107,182	\$289,013,497
Restricted	6,588,596	4,735,897	6,532,464	5,306,823	6,766,092	28,039,557	26,786,728	33,293,518
Unrestricted	25,092,659	19,637,859	24,893,803	18,175,790	15,882,295	25,278,444	26,035,008	28,278,643
Total business-type activities net assets	\$408,274,688	\$394,607,490	\$388,229,260	\$373,913,211	\$370,167,033	\$366,347,968	\$357,928,918	\$350,585,658
Primary government								
Invested in capital assets, net of related debt	\$1,077,297,759	\$1,050,548,904	\$1,007,241,395	\$964,163,744	\$936,927,721	\$792,444,359	\$766,374,943	\$714,675,734
Restricted	12,061,814	9,383,271	8,682,423	7,228,875	6,982,995	115,381,262	124,602,618	102,083,292
Unrestricted	103,509,050	97,950,439	99,965,593	74,414,513	67,058,831	75,234,996	61,458,821	92,922,696
Total primary government net assets	\$1,192,868,623	\$1,157,882,614	\$1,115,889,411	\$1,045,807,132	\$1,010,969,547	\$983,060,617	\$952,436,382	\$909,681,722

Source: Comprehensive Annual Financial Report
 Note: The City implemented GASB Statement No. 34 in fiscal year 2001, thus 10 years of data is not available.

Table 2

**CITY OF PLANO, TEXAS
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)
(unaudited)**

	Fiscal Year							
	2008	2007	2006	2005	2004	2003	2002	2001
Expenses								
Governmental activities:								
General government	\$9,052,498	\$12,820,474	\$12,869,160	\$9,610,588	\$12,512,878	\$17,438,330	\$20,985,117	\$18,355,535
Administrative services	8,423,416	7,814,137	7,249,106	6,793,122	5,768,394	6,528,175	6,828,203	6,592,633
Police	68,433,179	60,136,573	52,661,945	52,064,166	48,243,055	45,893,819	45,446,673	42,581,088
Fire	44,201,284	39,368,057	40,171,670	33,765,963	30,628,041	29,814,653	27,914,879	27,054,838
Libraries	11,765,263	10,560,624	9,616,271	8,921,361	9,061,682	9,350,720	10,410,453	9,284,824
Development	20,447,190	19,508,839	18,482,899	17,415,770	16,295,697	15,320,345	16,981,049	15,355,833
Public services and operations	5,402,333	5,213,097	5,069,129	4,760,409	4,879,335	4,607,610	5,019,854	4,703,802
Parks and recreation	26,134,622	22,645,606	20,491,397	19,220,854	17,705,076	18,614,020	21,945,020	20,092,645
Public works	27,944,393	26,677,227	25,864,753	25,047,789	24,743,556	25,157,249	15,572,746	15,286,957
Technology services	13,686,048	12,951,258	11,113,407	12,319,110	11,963,912	9,596,783	8,422,018	8,040,874
Other	7,401,221	6,577,443	858,379	633,447	752,988	752,748	92,178	2,736,606
Interest on Long-Term Debt	14,625,019	12,503,580	12,009,766	9,882,495	13,907,340	14,830,089	16,514,330	17,666,935
Unallocated depreciation	102,199	100,907	93,337	37,954	38,323	41,175	81,359	79,865
Total governmental activities expenses	257,618,665	236,877,822	216,551,219	200,473,028	196,500,277	197,945,716	196,213,879	187,832,435
Business-type activities:								
Water and sewer	83,264,179	78,413,719	79,400,088	74,996,817	71,292,512	69,729,462	63,207,453	59,070,751
Environmental waste services	21,863,854	19,298,289	18,346,330	17,775,614	15,856,929	15,640,696	15,078,559	14,906,908
Municipal drainage	3,530,079	3,429,488	3,118,453	3,012,858	2,895,673	2,586,813	2,257,100	2,035,853
Civic center	7,311,505	6,416,054	5,751,129	5,488,081	5,075,801	5,107,302	5,326,148	5,327,149
Municipal golf course	1,000,257	885,158	935,483	1,052,789	1,188,468	927,797	872,512	814,230
Property management	39,291	78,759	25,940	65,746	86,193	75,118	33,117	53,168
Recreation revolving	3,096,166	2,642,687	2,436,064	2,471,405	2,409,349	2,401,070	2,274,243	2,006,723
Downtown center development	46,176	46,784	43,356	42,668	42,668	42,668	34,412	63,484
Total business-type activities expenses	120,151,507	111,210,938	110,056,843	104,905,978	98,847,593	96,510,926	89,083,544	84,278,266
Total primary government expenses	\$377,770,172	\$348,088,760	\$326,608,062	\$305,379,006	\$295,347,870	\$294,456,642	\$285,297,423	\$272,110,701
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$1,634,183	\$1,009,164	\$1,056,168	\$1,123,970	\$896,238	\$622,533	\$498,562	\$417,460
Police	12,939,924	12,413,238	12,839,712	11,401,502	12,162,718	11,986,491	11,647,864	10,464,785
Fire	3,801,412	3,446,175	3,396,538	3,114,030	2,807,624	2,630,739	2,665,946	2,299,985
Libraries	453,572	496,697	478,457	415,128	413,414	384,080	359,232	262,828
Development	4,686,571	5,124,766	7,038,776	5,363,885	4,849,896	4,503,747	4,033,639	6,400,990
Public services and operations	1,150,449	1,016,193	1,005,080	900,055	882,984	803,013	700,666	582,456
Parks and recreation	3,685,465	2,357,306	2,629,899	2,088,269	2,269,333	2,234,251	2,271,951	2,527,506
Public works	104,028	84,217	93,534	670,985	115,206	830,296	395,593	1,906,780
Technology services	2,590,036	2,459,419	2,315,210	2,713,243	1,411,457	2,388,886	1,904,632	1,637,408
Operating grants and contributions	4,773,881	4,592,308	6,695,987	4,419,525	3,979,053	3,714,781	3,394,749	3,286,849
Capital grants and contributions	9,654,400	13,499,864	16,672,181	11,494,632	9,479,363	11,396,047	32,522,496	7,162,367
Total governmental activities program revenues	45,473,921	46,499,347	57,221,542	43,705,224	39,267,286	41,494,864	60,395,330	36,949,414

(continued)

**CITY OF PLANO, TEXAS
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)
(unaudited)**

	Fiscal Year							
	2008	2007	2006	2005	2004	2003	2002	2001
Business-type activities:								
Charges for services:								
Water and sewer	\$100,049,904	\$83,598,039	\$90,197,835	\$80,490,282	\$75,116,766	\$78,836,837	\$63,374,773	\$56,000,539
Environmental waste services	14,772,782	14,196,523	12,784,020	12,239,098	11,926,172	10,099,001	9,694,467	9,367,676
Municipal drainage	4,995,106	4,986,648	4,918,531	4,653,546	4,684,635	4,651,887	4,250,933	3,579,115
Civic center	2,693,882	2,589,358	2,414,989	2,203,629	1,968,913	1,969,739	2,197,003	2,226,117
Municipal golf course	846,096	823,353	907,325	1,009,294	905,720	863,653	953,588	956,099
Property management	72,567	81,587	85,789	84,468	74,301	94,538	65,779	75,444
Recreation revolving	3,080,725	2,765,100	2,656,865	2,600,095	2,591,140	2,486,156	2,444,845	2,159,850
Downtown center development	68,127	68,127	68,127	67,679	67,879	84,596	736	-
Operating grants and contributions	60,609	289,052	22,828	259,951	15,107	260,702	-	2,850
Capital grants and contributions	7,354,169	7,991,489	10,048,819	7,762,146	6,746,298	6,612,238	12,293,848	11,176,751
Total business-type activities program revenues	133,993,967	117,389,276	124,105,128	111,370,188	104,096,931	105,959,347	95,275,972	85,544,441
Total primary government program revenues	\$179,467,888	\$163,888,623	\$181,326,670	\$155,075,412	\$143,364,217	\$147,454,211	\$155,671,302	\$122,493,855
Net (Expense) Revenue								
Governmental Activities	(212,144,744)	(190,378,475)	(159,329,677)	(156,767,804)	(157,232,991)	(156,450,852)	(135,818,549)	(150,883,021)
Business-type Activities	13,842,460	6,178,338	14,048,285	6,464,210	5,249,338	9,448,421	6,192,428	1,266,175
Total primary government net (expense)	(198,302,284)	(184,200,137)	(145,281,392)	(150,303,594)	(151,983,653)	(147,002,431)	(129,626,121)	(149,616,846)
General revenues and transfers								
Governmental activities:								
Property taxes	\$123,054,998	\$114,157,316	\$104,809,088	\$100,094,935	\$97,679,382	\$97,806,975	\$89,723,339	\$84,499,132
Sales taxes	62,122,119	61,573,210	65,320,897	52,251,009	49,602,196	45,932,804	45,591,342	47,569,128
Mixed drink taxes	1,003,932	983,663	814,346	680,135	613,182	548,213	508,009	475,118
Other taxes	360,115	225,445	215,439	135,574	129,814	92,480	146,765	143,061
Franchise fees	23,022,217	22,463,447	22,114,560	19,200,896	19,226,216	19,896,556	19,916,471	19,335,868
Investment income	10,683,028	13,985,970	9,914,048	3,558,018	3,797,449	4,546,042	7,205,315	11,227,523
Transfers	13,217,146	12,604,397	11,907,529	11,938,644	10,274,617	9,832,967	8,138,708	5,600,488
Total governmental activities	233,463,555	225,993,448	215,095,907	187,859,211	181,322,856	178,656,037	171,229,949	168,850,318
Business-type activities:								
Hotel/Motel tax	4,909,061	4,741,492	4,416,422	3,423,055	3,076,824	2,900,308	2,699,230	3,202,533
Franchise fees	6,721,464	6,259,512	5,876,771	5,254,809	5,021,716	4,979,213	4,739,942	4,703,106
Investment income	1,411,359	1,803,285	1,882,100	542,748	745,804	924,075	1,850,368	4,289,004
Transfers	(13,217,146)	(12,604,397)	(11,907,529)	(11,938,644)	(10,274,617)	(9,832,967)	(8,138,708)	(4,675,730)
Total business-type activities	(175,262)	199,892	267,764	(2,718,032)	(1,430,273)	(1,029,371)	1,150,832	7,518,913
Total primary government	\$233,288,293	\$226,193,340	\$215,363,671	\$185,141,179	\$179,892,583	\$177,626,666	\$172,380,781	\$176,369,231
Change in Net Assets								
Governmental activities	\$21,318,811	\$35,614,973	\$55,766,230	\$31,091,407	\$24,089,865	\$22,205,185	\$35,411,400	\$17,967,297
Business-type activities	13,667,198	6,378,230	14,316,049	3,746,178	3,819,065	8,419,050	7,343,260	8,785,088
Total primary government	\$34,986,009	\$41,993,203	\$70,082,279	\$34,837,585	\$27,908,930	\$30,624,235	\$42,754,660	\$26,752,385

Source: Comprehensive Annual Financial Report
Note: The City implemented GASB Statement No. 34 in fiscal year 2001, thus 10 years of data is not available.

**CITY OF PLANO, TEXAS
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 (unaudited)**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund										
Reserved for encumbrances	\$2,683,725	\$1,566,433	\$2,776,694	\$2,283,707	\$3,718,284	\$1,682,711	\$2,747,069	\$4,574,168	\$4,441,987	\$5,227,781
Reserved for prepaids	159,121	90,268	229,018	145,343	114,548	50,622	30,273	26,106	35,103	99,218
Reserved for long term loans	6,518,966	6,925,699	7,310,017	7,672,675	7,916,108	7,468,026	7,005,764	3,600,325	2,833	-
Unreserved	35,379,734	37,101,360	38,488,933	29,122,461	27,747,994	20,600,580	13,096,232	14,320,196	19,605,217	16,054,036
Total general fund	\$44,741,546	\$45,683,660	\$48,804,662	\$39,224,186	\$39,496,934	\$29,801,939	\$22,879,338	\$22,520,795	\$24,085,140	\$21,381,035
All Other Governmental Funds										
Reserved for:										
Encumbrances	\$39,404,227	\$23,855,483	\$39,234,962	\$19,366,204	\$19,541,095	\$8,417,242	\$15,661,184	\$20,202,444	\$27,316,311	\$25,924,001
Prepaids and other assets	6,195	2,702	4,490	205,108	6,415	325	150	2,286	465	650
Debt service	5,491,973	4,754,700	2,171,565	1,937,365	224,322	719,504	5,975,191	4,759,993	1,944,438	1,977,192
Long term loans and advances	-	-	-	775,299	951,845	-	-	-	-	-
Capital projects	88,689,616	72,879,121	54,451,744	52,861,830	21,211,416	68,944,146	64,648,100	60,803,970	33,635,418	34,328,974
Unreserved, reported in:										
Special Revenue funds	17,680,256	15,516,547	13,184,351	10,306,964	8,883,675	8,196,811	7,523,025	4,906,653	2,822,592	1,483,001
Capital Projects funds	130,154	731,846	705,600	666,097	18,482,081	(281,966)	(1,370,776)	(4,269,534)	(6,110,231)	(1,397,024)
Total all other governmental funds	\$151,402,421	\$117,740,399	\$109,752,712	\$86,118,867	\$69,300,849	\$85,996,062	\$92,436,874	\$86,405,812	\$59,608,993	\$62,316,794

Source: Comprehensive Annual Financial Report

CITY OF PLANO, TEXAS
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 (unaudited)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Revenues:										
Taxes-										
Property taxes	\$114,494,640	\$107,059,153	\$97,121,351	\$93,311,613	\$91,655,523	\$90,100,086	\$85,228,237	\$77,822,525	\$71,054,998	\$62,782,307
Other taxes	63,266,376	63,425,218	59,581,037	53,007,928	50,289,482	46,555,857	46,167,605	48,119,027	46,683,884	40,329,589
Franchise fees	22,628,847	22,039,441	21,720,865	19,200,896	19,226,216	19,698,926	19,700,523	19,090,181	15,120,762	14,085,493
Fines and forfeitures	9,167,406	9,822,913	10,125,683	8,961,337	9,806,522	9,738,545	8,809,121	7,845,797	6,508,695	5,308,765
Contributions	3,845,932	306,924	1,081,788	3,826,173	2,017,253	3,636,791	13,162,633	7,407,334	9,141,106	6,597,968
Rollback taxes	1,134,487	1,172,609	735,757	223,159	205,506	350,203	-	1,106,206	1,043,361	1,140,776
Licenses and permits	5,235,695	5,524,955	6,800,126	5,195,516	5,131,810	4,831,824	4,381,369	6,025,513	6,959,848	6,576,147
Intragovernmental	7,276,212	6,399,935	6,592,673	6,235,373	5,851,135	5,940,984	5,089,048	4,842,117	4,877,386	4,655,182
Intergovernmental	3,432,643	3,915,812	8,744,104	3,898,076	2,983,278	2,767,470	2,378,724	2,354,764	2,212,066	2,858,445
Fees for services	13,488,581	10,476,645	11,177,263	9,705,325	8,846,147	8,540,621	8,532,636	8,926,426	8,709,263	9,457,160
Assessments	25,465	99,741	443,672	202,427	197,763	542,131	44,445	567,590	582,653	506,953
Investment income	8,420,799	10,779,409	7,777,156	2,727,800	3,019,984	3,687,989	5,531,416	8,647,429	6,577,294	3,868,468
Proceeds from sale of capital assets	-	-	-	-	21,000	-	-	-	-	-
Miscellaneous	1,909,910	1,407,342	4,865,976	1,262,983	1,111,417	1,045,888	889,639	786,238	585,973	583,095
Total Revenues	254,326,993	242,430,097	236,767,451	207,758,606	200,363,036	197,437,315	199,915,396	193,541,147	180,057,289	158,750,348
Expenditures:										
Current-										
General government	878,675	1,255,206	1,309,980	577,990	2,764,025	2,912,453	3,194,862	2,722,284	-	-
Administrative services	8,208,019	7,916,611	7,282,215	6,892,456	6,312,095	6,509,715	6,581,342	6,344,653	-	-
Police	61,831,212	59,114,102	53,618,495	51,031,849	47,219,455	43,743,086	42,647,390	39,486,865	-	-
Fire	41,361,437	39,096,906	40,124,063	33,650,136	29,026,018	28,248,820	25,895,256	24,495,435	-	-
Libraries	10,467,040	10,139,905	9,238,861	8,705,346	8,564,913	8,702,926	8,619,718	7,874,877	-	-
Development	19,635,957	19,644,186	18,420,446	17,233,160	16,078,528	15,178,820	16,126,052	14,736,448	-	-
Public services and operations	5,377,281	5,403,953	5,063,124	4,786,528	4,548,593	4,363,610	4,632,868	4,323,585	-	-
Parks and recreation	20,681,818	18,785,397	16,709,740	15,891,574	13,961,744	13,602,042	13,384,235	12,318,857	-	-
Environmental waste services	53,576	258,275	19,845	215,025	14,194	249,778	-	-	-	-
Public works	5,820,027	5,764,590	5,273,610	5,395,278	4,948,866	5,038,706	4,843,160	4,849,468	-	-
Other	27,266,420	26,335,719	18,381,077	17,403,344	13,747,316	17,752,756	15,284,555	16,502,541	-	-
Capital outlay	54,679,984	68,000,143	49,933,401	44,443,506	35,349,894	41,042,654	40,704,962	46,091,229	-	-
General government	-	-	-	-	-	-	-	-	30,334,973	25,854,262
Public Safety	-	-	-	-	-	-	-	-	58,758,930	52,694,681
Community services	-	-	-	-	-	-	-	-	27,916,785	24,717,069
Public works	-	-	-	-	-	-	-	-	4,737,909	4,218,523
Capital Outlay	-	-	-	-	-	-	-	-	55,403,432	46,987,072
Debt service-										
Principal retirement	23,510,000	21,020,000	20,510,000	19,407,991	18,187,142	17,688,449	16,681,306	15,802,440	20,495,000	19,600,000
Interest and fiscal charges	14,598,200	12,837,888	12,154,302	10,669,530	13,527,706	14,616,031	15,970,668	17,650,384	11,332,423	11,949,394
Escrow payment-refunding	-	-	-	-	-	-	1,216,610	-	-	-
Bond accretion	-	-	-	962,009	-	-	-	-	-	-
Total Expenditures	294,369,646	295,572,881	258,039,159	237,265,722	214,250,489	219,649,846	215,782,984	213,199,066	208,979,452	186,021,001
Deficiency Of Revenues	(40,042,653)	(53,142,784)	(21,271,708)	(29,507,116)	(13,887,453)	(22,212,531)	(15,867,588)	(19,657,919)	(28,922,163)	(27,270,653)
Under Expenditures										

**CITY OF PLANO, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(unaudited)**

**Table 4
(continued)**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Other Financing Sources (Uses):										
Proceeds from sale of bonds	58,370,000	46,675,000	44,690,000	37,190,000	-	20,314,000	15,630,000	38,510,000	24,330,000	25,370,000
Tax anticipation note and bond premiums	-	-	-	-	-	-	-	637,205	-	-
Bond proceeds-refunding	-	-	-	78,380,000	-	22,796,533	42,842,287	-	-	-
Premium on sale of bonds	925,415	1,162,822	1,615,017	5,866,266	-	-	-	-	1,883	4,253
Discount on sale of bonds	-	-	(350,017)	(200,473)	-	-	-	-	-	-
Escrow payment-refunding	-	-	-	(84,067,431)	-	(23,151,258)	(42,503,801)	-	-	-
Sale of land	-	-	-	336,536	-	-	-	-	-	-
Operating transfers in	24,276,733	23,414,508	23,687,190	22,349,005	21,611,533	17,910,089	16,538,678	19,562,088	11,866,356	15,188,336
Operating transfers out	(10,809,587)	(13,242,861)	(15,156,161)	(13,801,517)	(14,724,298)	(15,175,044)	(10,249,971)	(13,818,900)	(7,279,772)	(9,816,839)
Total Other Financing Sources	72,762,561	58,009,469	54,486,029	46,052,386	6,887,235	22,694,320	22,257,193	44,890,393	28,918,467	30,745,750
Net change in fund balances	\$ 32,719,908	\$ 4,866,685	\$ 33,214,321	\$ 16,545,270	\$ (7,000,218)	\$ 481,789	\$ 6,389,605	\$ 25,232,474	\$ (3,696)	\$ 3,475,097

Debt service as a percentage of noncapital expenditures 15.9% 14.9% 15.7% 16.1% 17.7% 18.1% 19.3% 15.7% 20.7% 22.7%

**CITY OF PLANO, TEXAS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF
 TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (unaudited)**

Fiscal Year	Estimated Market Value			Less:		Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property Residential	Real Property Non-Residential	Non-Real Property Personal	Tax-Exempt Property			
1999	10,105,409,869	3,814,047,977	2,003,213,399	2,603,867,932		13,318,803,313	0.4685
2000	11,545,972,673	4,310,895,509	1,928,110,972	2,814,264,430		14,970,714,724	0.4685
2001	12,996,818,388	5,096,813,143	2,132,562,355	3,274,218,669		16,951,975,217	0.4585
2002	14,142,191,479	5,949,271,808	2,733,219,210	3,901,586,146		18,923,096,351	0.4535
2003	15,264,661,366	6,407,096,419	2,617,931,276	4,095,469,553		20,194,219,508	0.4535
2004	15,881,648,854	6,294,650,068	2,266,621,779	4,044,250,374		20,398,670,327	0.4535
2005	16,332,126,225	6,546,216,987	2,242,943,854	4,251,552,256		20,869,734,810	0.4535
2006	16,979,745,491	6,758,241,962	2,255,993,450	4,344,715,518		21,649,265,385	0.4535
2007	17,812,371,500	7,138,331,140	2,375,828,520	4,497,389,848		22,829,141,312	0.4735
2008	18,778,466,676	7,916,064,395	2,475,080,029	4,658,110,425		24,511,500,675	0.4735

Source: City of Plano Budget Department and Collin County Central Appraisal District based on original tax roll

Note: Real, Personal and Tax-Exempt breakout of Net Adjustments provided by Kenneth L. Maun, Tax Assessor/Collector, is unavailable.

**CITY OF PLANO, TEXAS
PROPERTY TAX RATES/ASSESSMENT RATIOS -
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(unaudited)**

Fiscal Year (1)	City of Plano			Plano			Allen			Collin County			Frisco			Lewisville			Denton County			Collin County Community College			
	General Fund	Debt Service Fund	Assessment Ratio	School District	Assessment Ratio	School District	School District	Assessment Ratio	School District	Assessment Ratio															
1999	0.2538	0.2147	100	1.540	100	1.89	100	0.2708	100	1.514	100	1.610	100	0.2488	100	0.099	100	0.099	100	0.099	100	0.099	100	0.099	100
2000	0.2708	0.1977	100	1.579	100	1.89	100	0.2500	100	1.440	100	1.567	100	0.235	100	0.097	100	0.097	100	0.097	100	0.097	100	0.097	100
2001	0.2614	0.1971	100	1.5531	100	1.76	100	0.2500	100	1.420	100	1.610	100	0.232	100	0.094	100	0.094	100	0.094	100	0.094	100	0.094	100
2002	0.2690	0.1845	100	1.6285	100	1.83	100	0.2500	100	1.440	100	1.670	100	0.252	100	0.093	100	0.093	100	0.093	100	0.093	100	0.093	100
2003	0.2864	0.1671	100	1.7034	100	1.81	100	0.2500	100	1.498	100	1.770	100	0.249	100	0.092	100	0.092	100	0.092	100	0.092	100	0.092	100
2004	0.2908	0.1627	100	1.7334	100	1.93	100	0.2500	100	1.558	100	1.770	100	0.247	100	0.092	100	0.092	100	0.092	100	0.092	100	0.092	100
2005	0.2810	0.1725	100	1.7334	100	1.91	100	0.2500	100	1.630	100	1.770	100	0.255	100	0.091	100	0.091	100	0.091	100	0.091	100	0.091	100
2006	0.2888	0.1647	100	1.7334	100	1.91	100	0.2500	100	1.580	100	1.770	100	0.246	100	0.089	100	0.089	100	0.089	100	0.089	100	0.089	100
2007	0.3080	0.1655	100	1.5784	100	1.78	100	0.2450	100	1.580	100	1.640	100	0.232	100	0.088	100	0.088	100	0.088	100	0.088	100	0.088	100
2008	0.3210	0.1525	100	1.268	100	1.47	100	0.2450	100	1.350	100	1.380	100	0.236	100	0.080	100	0.080	100	0.080	100	0.080	100	0.080	100

(1) For School Districts, fiscal years end on August 31, and, beginning in 1992, include the County Education District tax rate.

NOTE: Property tax rates are levied per \$100 assessed valuation.

Sources: Representatives of the various taxing jurisdictions.

CITY OF PLANO, TEXAS
 PRINCIPAL TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (unaudited)

Table 7

Name of Taxpayer	2008			1999		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation
Electronic Data Systems Corporation	\$200,554,042	1	0.82	322,591,550	1	2.39
TXU Electric Delivery Company	172,513,019	2	0.70	135,018,049	3	1.00
J.C. Penney, Inc.	169,039,157	3	0.69	127,395,785	4	0.94
Willow Bend Association	127,000,000	4	0.52	-	-	-
Alcatel USA Sourcing LP	118,284,531	5	0.48	136,457,118	2	1.01
The Campus at Legacy	100,000,000	6	0.41	-	-	-
HSP of Texas Incorporated	81,064,731	7	0.33	-	-	-
Collin Creek Mall	76,895,956	8	0.31	121,369,467	5	1.02
The Shops at Legacy	75,393,638	9	0.31	-	-	-
Tollway/121 Partners LTD	72,391,253	10	0.29	-	-	-
Texas Instruments	-	-	-	75,375,124	6	0.56
Digital Switch Corporation	-	-	-	69,207,704	7	0.51
Frito-Lay	-	-	-	65,106,770	8	0.48
Dallas Morning News	-	-	-	63,982,140	9	0.47
G.T.E	-	-	-	62,179,918	10	0.46
Total	1,193,136,327		4.86	1,178,683,625		8.84

Source: Collin County Appraisal District

Table 8

CITY OF PLANO, TEXAS
 PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS
 (unaudited)

Fiscal Year	Total Tax Levy	Collection Current Year's Taxes During Period	Collections Transferred to TIF Component Units	Total Current Year Collections	Percent of Levy Collected During Fiscal Period	Collections in Subsequent Years	Total Tax Collections	Accumulated Delinquent Taxes	Percentage of Levy
1999	\$63,228,936	\$62,097,393	-	\$62,097,393	98.2	\$1,121,382	\$63,218,775	\$10,161	99.98
2000	70,664,029	69,961,280	-	69,961,280	99.0	691,862	70,653,142	10,887	99.98
2001	78,095,849	76,907,817	370,402	77,278,219	99.0	761,910	78,040,129	55,720	99.93
2002	85,697,627	84,108,496	729,535	84,838,031	99.0	713,315	85,551,346	146,281	99.83
2003	91,504,269	89,097,226	1,491,645	90,588,871	99.0	713,326	91,302,197	202,072	99.78
2004	92,724,955	90,573,604	1,349,783	91,923,387	99.1	613,059	92,536,446	188,509	99.80
2005	94,735,250	92,286,096	1,455,736	93,741,832	99.0	841,526	94,583,358	151,892	99.84
2006	98,580,157	95,754,030	1,588,800	97,342,830	98.7	1,049,464	98,392,294	187,863	99.81
2007	108,186,053	105,461,839	1,870,213	107,332,052	99.2	637,039	107,969,091	216,962	99.80
2008	116,214,292	113,215,333	2,127,954	115,343,287	99.3	-	115,343,287	871,005	99.25

Table 9

CITY OF PLANO, TEXAS
 RATIO OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS
 (unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Tax Anticipation Notes	Water and Sewer Revenue Bonds	Solid Waste General Obligation Bonds	Drainage Revenue Bonds	Municipal Bonds			
1999	\$227,362,327	-	\$34,068,407	\$260,000	\$14,740,000	\$276,430,734	4.30	1,255	
2000	231,197,327	-	30,528,407	-	14,230,000	275,955,734	4.11	1,183	
2001	253,904,888	17,670,000	27,078,407	-	18,180,000	316,833,295	4.61	1,375	
2002	251,053,582	15,155,000	23,668,407	-	17,365,000	307,241,989	3.67	1,302	
2003	252,765,133	12,200,000	18,187,939	-	20,255,000	303,408,072	3.50	1,261	
2004	234,577,991	9,115,000	15,555,143	-	19,325,000	278,573,134	3.34	1,132	
2005	252,290,000	5,900,000	12,988,168	-	21,445,000	292,623,168	3.43	1,176	
2006	276,470,000	2,555,000	10,472,042	-	21,730,000	311,227,042	3.28	1,225	
2007	302,125,000	-	8,030,000	-	22,475,000	332,630,000	3.24	1,291	
2008	336,985,000	-	5,750,000	-	23,170,000	365,905,000	3.37	1,399	

Note: See Table 15 for personal income and population data.

Table 10

CITY OF PLANO, TEXAS
 RATIO OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS
 (unaudited)

	Governmental Activities			Percentage of Actual Taxable Value	Per Capita
	General Obligation Bonds	Tax Anticipation Notes	Total Primary Government		
1999	\$227,362,327	\$ -	\$227,362,327	1.68	\$1,033
2000	231,197,327	-	231,197,327	1.53	991
2001	253,904,888	17,670,000	271,574,888	1.59	1,179
2002	251,053,582	15,155,000	266,208,582	1.41	1,128
2003	252,765,133	12,200,000	264,965,133	1.31	1,102
2004	234,577,991	9,115,000	243,692,991	1.19	990
2005	252,290,000	5,900,000	258,190,000	1.24	1,037
2006	276,470,000	2,555,000	279,025,000	1.28	1,098
2007	302,125,000	-	302,125,000	1.32	1,173
2008	336,985,000	-	336,985,000	1.37	1,289

See Table 5 for property value data.
 See Table for 15 for population data.

**CITY OF PLANO, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2008
(unaudited)**

Table 11

Taxing Body	Net General Bonded Debt	Percentage of Debt Applicable to Area	City of Plano Share of Debt
City of Plano	\$ 331,493,027	100.00%	\$ 331,493,027
Total direct debt	331,493,027		331,493,027
Plano Independent School District	797,795,000	74.93%	597,787,794
Collin County	384,263,566	47.42%	182,217,783
Denton County	285,616,003	0.53%	1,513,765
Frisco Independent School District	992,862,979	3.21%	31,870,902
Allen Independent School District	268,425,668	0.69%	1,852,137
Lewisville Independent School District	770,399,324	1.24%	9,552,952
Collin County Community College	48,270,096	47.42%	22,889,680
Total overlapping debt	3,547,632,636		847,685,013
Total direct and overlapping bonded debt	\$ 3,879,125,663		\$ 1,179,178,040
Ratio of overlapping bonded debt to taxable assessed valuation (valued at 100% of market value)			5.42%
Per capita overlapping bonded debt			\$ 4,641

Sources: For net bonded debt, representatives (business manager or finance officer) of the taxing jurisdictions. For percentage of debt applicable to City, the Municipal Advisory Council of Texas.

**CITY OF PLANO, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2008
(unaudited)**

Table 12

As a home rule city, the City of Plano is not limited by the law in the amount of debt it may issue. The City's Charter (Section 9.18) states

The City Council shall have the power under the provisions of the state law to levy, assess and collect an annual tax upon real and personal property within the City to the maximum provided by the Constitution and the general laws of the State of Texas. The City Council shall also have the power to levy occupation taxes on such occupations as consistent with the general laws of the State of Texas.

Article II, Section 5 of the State of Texas Constitution states in part:

...but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of such city.

The tax rate at October 1, 2007, is \$0.4735 per \$100.00 with assessed valuation at 100% of market value.

Table 13

CITY OF PLANO, TEXAS
 SCHEDULE OF REVENUE BOND COVERAGE - WATER AND SEWER BONDS
 LAST TEN FISCAL YEARS
 (unaudited)

Fiscal Year	Total Operating Revenue	Direct Operating Expense	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements			
				Principal	Interest	Total	
1999	56,214,422	35,813,341	20,401,081	2,472,209	935,020	3,407,229	5.99
2000	60,100,870	38,956,651	21,144,219	2,391,779	929,567	3,321,346	6.37
2001	55,670,700	44,854,515	10,816,185	2,337,704	890,986	3,228,690	3.35
2002	63,036,735	47,308,016	15,728,719	2,236,385	848,490	3,084,875	5.10
2003	78,194,671	52,483,907	25,710,764	1,666,071	473,851	2,139,922	12.01
2004	74,706,630	54,579,731	20,126,899	1,568,586	414,900	1,983,486	10.15
2005	80,074,804	58,161,700	21,913,104	1,456,617	318,752	1,775,369	12.34
2006	89,735,898	61,879,529	27,856,369	1,322,784	218,834	1,541,618	18.07
2007	83,223,811	61,514,435	21,709,376	1,357,183	143,305	1,500,488	14.47
2008	99,931,712	64,224,159	35,707,553	1,169,492	107,551	1,277,043	27.96

Note: Direct operating expense excludes depreciation and charges in lieu of taxes.

Table 14

CITY OF PLANO, TEXAS
SCHEDULE OF REVENUE BOND COVERAGE - MUNICIPAL DRAINAGE BONDS
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	Gross Revenue	Operating and Maintenance Expense	Gross Revenues Times Expense	Maximum Annual Debt Service Requirement		Coverage
				Principal	Interest	
1999	2,615,883	1,164,802	2.25	510,000	786,671	1.12
2000	2,911,277	1,373,898	2.12	580,000	715,250	1.19
2001	3,885,818	1,381,379	2.81	815,000	828,508	1.52
2002	4,529,784	1,660,378	2.73	1,330,000	318,631	1.74
2003	4,813,110	1,576,324	3.05	1,510,000	411,084	1.68
2004	4,856,102	1,619,998	3.00	1,510,000	411,084	1.68
2005	4,787,315	1,938,716	2.47	1,635,000	467,365	1.35
2006	5,620,198	2,062,502	2.72	1,700,000	515,468	1.61
2007	5,590,039	2,099,427	2.66	1,785,000	582,979	1.47
2008	5,490,072	2,248,948	2.44	1,795,000	732,503	1.28

NOTE: 1995 is the first Fiscal Year of coverage for the bonds. Bond ordinance requires that revenues are at least equal to 1.00 times the operating and maintenance expenses (excluding depreciation) and 1.10 times the maximum annual debt service for all outstanding bonds.

CITY OF PLANO, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (unaudited)

Table 15

Fiscal Year	DEMOGRAPHICS				Unemployment Rate (%)
	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	PISD School Enrollment	
1999	220,200	6,428,478	29,194	43,514	2.0
2000	233,200	6,720,560	28,819	46,115	2.2
2001	230,409	6,873,745	29,833	47,364	4.3
2002	235,949	8,360,561	35,434	50,632	5.6
2003	240,545	8,663,388	36,016	51,800	5.9
2004	246,098	8,337,833	33,880	51,244	3.8
2005	248,912	8,535,705	34,292	51,446	4.4
2006	254,082	9,491,143	37,355	53,181	4.0
2007	257,600	10,250,853	39,794	52,997	3.9
2008	261,500	10,861,901	41,537	53,683	4.8

Sources: Population estimates were prepared by the City of Plano. Personal income estimates were obtained from the U. S. Census Bureau for the year 2007. School enrollment figures were provided by the Plano Independent School District (PISD). Unemployment rates were provided by the Texas Workforce Commission.

Table 16

**CITY OF PLANO, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)**

	2008			2000		
Employer	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment	
Countrywide Home Loans	10,762	7.27	Electronic Data Systems	10,530	9.15	
J.C. Penney, Inc.	5,200	3.51	DSC Communications Corporation	3,800	3.30	
Electronic Data Systems	5,000	3.38	J.C. Penney, Inc.	3,700	3.22	
Perot Systems Corporation	2,732	1.85	Frito-Lay	2,400	2.09	
Alcatel	2,280	1.54	J.C. Penney Life Insurance	1,350	1.17	
CHC Acquisition Corporation	2,000	1.35	Countrywide Home Loans	1,500	1.30	
Frito-Lay	1,920	1.30	Medical Center of Plano	1,200	1.04	
Dr. Pepper/SevenUp Corporation	1,700	1.15	Dallas Morning News	900	0.78	
Medical Center of Plano	1,491	1.01	Texas Instruments Incorporated	800	0.70	
Presbyterian Hospital of Plano	1,480	1.00	Dr. Pepper/SevenUp Corporation	730	0.63	
Total	34,565	23.36	Total	26,910	23.38	

Sources: North Central Texas Council of Governments statistical and census data and Texas Workforce Commission.

**CITY OF PLANO, TEXAS
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (unaudited)**

Table 17

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General government	63.5	65.0	67.0	62.5	63.0	64.0	64.0	63.0	60.0	58.5
Administrative services	86.0	79.0	74.5	77.5	73.0	75.0	82.0	80.5	77.0	73.5
Police	661.0	661.5	622.0	630.5	607.0	613.5	612.5	587.0	542.5	528.5
Fire	335.5	333.0	322.0	298.5	300.5	293.5	292.5	288.0	281.5	264.0
Libraries	172.0	170.0	167.0	161.0	161.5	173.0	174.5	170.5	148.5	143.0
Development	164.0	164.0	174.0	170.0	167.0	174.5	178.0	178.5	176.5	163.0
Public services and operations	64.0	66.5	64.0	71.0	66.5	68.5	66.5	68.0	62.5	56.0
Parks and recreation	376.5	311.5	303.5	299.5	301.5	293.0	300.0	263.5	228.5	191.5
Public works	65.5	61.0	63.0	64.0	62.5	61.0	65.0	62.5	69.0	67.5
Technology services	50.0	47.0	46.0	46.0	41.0	40.0	40.0	36.0	34.0	31.0
Water and sewer	146.5	147.5	139.5	144.5	148.5	139.0	143.0	137.0	119.0	117.0
Environmental waste services	90.5	89.5	85.0	86.5	86.0	83.5	85.0	84.0	69.0	64.5
Municipal drainage	18.0	18.0	18.0	18.5	18.0	18.0	15.0	15.5	15.5	12.5
Civic center	47.5	49.0	46.0	48.0	47.0	40.5	40.5	39.0	37.0	31.5
Municipal golf course	8.0	9.0	9.0	10.0	10.0	9.0	10.0	10.0	9.0	10.5
Recreation revolving	148.0	107.0	111.5	131.0	135.5	143.0	142.0	124.0	105.5	102.5
Total	2496.5	2378.5	2312.0	2,319.0	2,288.5	2,289.0	2,310.5	2,207.0	2,035.0	1,915.0

CITY OF PLANO, TEXAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (unaudited)

Function/Program	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Administrative Services										
Legal										
Ordinance/resolution review/preparation	658	677	605	525	500	700	600	600	775	750
Human Resources										
Full-time employees	1,422	2,050	1,991	1,952	1,840	1,856	1,890	1,875	1,765	1,685
Accounting										
Payment requests processed	86,869	82,630	84,642	76,872	70,000	84,000	58,000	70,000	70,000	66,500
Police										
Employees (uniformed)	344	343	335	329	323	315	322	315	309	251
Citations	87,801	79,224	101,199	93,502	101,804	109,422	102,345	88,204	69,736	56,905
Public Safety Communications										
911 calls*	228,214	165,194	169,559	168,560	161,332	178,410	177,398	182,848	159,853	124,333
911 dispatches*	222,252	146,277	150,904	142,993	146,592	137,212	141,008	134,670	131,312	109,929
Fire										
Employees (uniformed)	317	319	308	287	282	276	274	269	267	284
Fire runs	19,665	18,964	18,178	17,085	16,011	17,214	16,936	16,640	15,034	14,255
EMS runs	12,297	11,734	10,786	10,214	9,362	9,022	8,968	8,946	8,259	7,564
Libraries										
Volumes in collection	804,410	761,236	738,939	730,837	686,861	648,998	642,692	605,735	578,311	506,697
Registered borrowers	192,578	173,341	174,970	184,980	176,355	167,370	144,386	140,161	127,902	126,035
Development										
Building Inspections										
Inspections (all construction)	80,600	80,732	91,166	91,401	90,459	89,356	78,597	98,598	106,160	114,031
New construction permits issued	1,718	1,578	1,957	1,608	1,633	1,652	1,615	2,381	3,696	3,696
Engineering										
New Streets/Alleys paved (miles)	9	16	9	8	7	6	23	17	36	44
New Water lines installed (miles)	16	18	21	21	20	18	42	56	56	52
Public Services and Operations										
Environmental Health										
Inspections	3,961	3,909	3,445	3,593	3,476	3,292	2,984	2,602	2,852	2,445
Animal Control										
Animals impounded	8,307	6,241	5,464	6,848	5,413	5,546	5,723	3,544	6,192	6,148

(continued)

Table 18
(continued)

Function/Program	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Parks and Recreation										
Park maintain & operate per acre	393	491	462	543	524	NA	NA	NA	NA	NA
Athletic field maintain & operate per acre	12,255	15,052	13,621	10,669	8,377	NA	NA	NA	NA	NA
Recreation attendance	2,341,119	1,691,348	1,675,541	1,864,361	1,874,506	1,849,450	1,874,666	1,750,812	1,612,836	1,399,860
Recreation center members	38,341	16,371	15,849	16,412	14,815	15,498	20,274	19,795	15,388	14,430
Public Works										
Streets										
Street Excavate/Replace (Sq Ft)	857,592	1,005,678	828,864	469,602	752,382	779,175	835,587	409,014	456,858	510,876
Water and Sewer										
Water Customers	77,440	77,961	77,400	76,305	75,307	74,014	73,109	71,920	67,241	67,241
Average Daily Water Consumption (gal)	61,657,000	52,211,000	66,758,838	53,531,312	57,239,000	53,580,000	41,400,000	53,623,000	57,820,000	57,820,000
Maximum Storage Capacity (gal)	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000	88,000,000
Environmental Waste Services (residential)										
Refuse collected (tons)	62,982	63,154	61,095	66,048	67,187	65,573	65,954	66,419	65,467	66,323
Bulky waste pickups (tons)	5,650	5,240	4,717	4,786	3,118	5,132	4,858	4,382	5,552	5,071
Recyclables collected (tons)	20,867	20,469	20,667	20,449	20,721	20,435	20,056	18,743	16,485	13,403
Yard trimmings collected (tons)	26,836	24,541	19,021	20,649	19,636	20,211	19,417	21,069	19,341	16,909
Municipal Drainage										
Environmental assessment requests	82	120	128	99	90	95	70	102	84	125
Storm sewer inlets maintained	4,139	10,483	10,200	9,800	9,500	9,050	9,078	8,972	8,700	8,700
Civic Center										
Event days booked and serviced	1,200	1,256	1,205	861	803	1,000	1,370	853	875	871
Municipal Golf Course										
Rounds of golf played	55,004	51,254	55,670	58,917	61,188	54,654	61,428	66,183	70,342	72,948
Recreation Revolving										
Courses completed	6,896	6,504	6,220	6,514	6,005	5,270	5,670	5,551	4,701	NA

Source: City Departments

Notes: N/A - Data not available

*911 calls and 911 dispatches include all calls to 911 which represents both police and fire

Operating indicators are not available for the general government, technology services, property management or downtown center development functions.

Table 19

CITY OF PLANO, TEXAS
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (unaudited)

Function/Program	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Police										
Number of stations	3	3	1	1	1	1	1	1	1	1
Number of patrol units	189	135	140	115	109	113	103	113	NA	NA
Number of motorcycle units	6	8	9	8	9	9	9	10	NA	NA
Fire										
Number of stations	11	11	10	10	10	10	10	10	10	10
Number of fire engines/trucks	22	21	21	20	19	NA	NA	NA	NA	NA
Number of EMS trucks	7	8	9	8	8	NA	NA	NA	NA	NA
Libraries										
Number of libraries	5	5	5	5	5	5	5	5	4	5
Development										
Planning										
Streets- Paved (miles)	1012	1004	990	980	973	966	961	944	903	903
Alleys- Paved (miles)	517	516	515	513	512	512	512	506	494	494
Public Services and Operations										
Animal Services										
Animal control trucks	15	14	11	7	7	7	NA	NA	NA	NA
Parks and Recreation										
Parks* (acres)	3858	3858	3,827	3,820	3,809	3,658	3,657	3,638	3,464	3,464
Athletic fields	179	175	175	175	175	175	187	187	188	173
Playgrounds	71	68	67	60	68	63	59	59	59	59
Recreation centers	5	5	4	4	3	3	3	3	3	2
Tennis centers	1	1	1	1	1	1	1	1	1	1
Senior centers	1	1	1	1	1	1	1	1	1	1
Aquatic/Natatorium	9	4	3	3	3	3	3	3	3	3
Public Works										
Traffic signals	211	207	205	203	197	193	186	180	166	152

(continued)

**CITY OF PLANO, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Table 19
(continued)

Function/Program	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Water and Sewer										
Water mains (miles)	1335	1317	1,295	1,268	1,248	1,226	1,207	1,164	1,077	1,077
Sanitary sewers (miles)	999	992	981	968	959	952	923	923	874	874
Fire hydrants	14,109	13,840	13,555	13,224	12,906	12,646	12,356	11,774	10,622	10,622
Environmental Waste Services										
Collection trucks	45	42	38	37	NA	NA	NA	NA	NA	NA
Municipal Drainage										
Storm sewers (miles)	646	635	622	467	600	590	466	466	345	345
Civic Center										
Civic Centers	1	1	1	1	1	1	1	1	1	1

Source: City Departments

Notes: N/A - Data not available.

*Includes Golf Course

Capital asset indicators are not available for the general government, administrative services, property management, recreation revolving or downtown center development functions



**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements in Accordance with
*Government Auditing Standards***

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The Honorable Mayor and Members of the City Council
The City of Plano, Texas

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The City of Plano, Texas (the City) as of and for the year ended September 30, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 5, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the City's financial statements will not be prevented or detected.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the City in a separate letter dated January 5, 2009.

This report is intended solely for the information and use of the Mayor, City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

Dallas, Texas
January 5, 2009



**Report on Compliance with Requirements Applicable to Each
Major Program and on Internal Control Over Compliance in
Accordance with OMB Circular A-133**

The Honorable Mayor and Members of the City Council
The City of Plano, Texas

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Compliance

We have audited the compliance of The City of Plano, Texas (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended September 30, 2008. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2008.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to the federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in a City's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Mayor, City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

Dallas, Texas
January 5, 2009

CITY OF PLANO, TEXAS

Schedule of Expenditures of Federal Awards

September 30, 2008

Federal grantor/pass-through grantor/program title	Federal CFDA number	Pass-through Entity identifying number	Federal Expenditures
U.S. Department of Housing and Urban Development:			
Community Development Block Grant	14.218	B-08-MC-48-0035	\$ 1,330,694
HOME Program	14.239	M-08-MC-48-0234	438,674
Total U.S. Department of Housing and Urban Development			1,769,368
U.S. Department of Homeland Security:			
Emergency Management Institute Training Assistance	97.026	N/A	860
Subtotal Direct Programs			860
Passed through Governor's Division of Emergency Management			
2006 Urban Areas Security Initiative	97.008	06-SR 58016-01	204,152
2006 Law Enforcement Terrorism Prevention Program	97.074	06-GA 58016-02	80,000
Passed through North Central Texas Council of Governments			
2006 Urban Areas Security Initiative	97.008	N/A	9,551
2007 State Homeland Security Program – Urban Search and Rescue	97.073	N/A	24,159
2007 State Homeland Security Program – HazMat Response	97.073	N/A	3,489
Passed through Texas Engineering Extension Services			
Texas Task Force One	97.025	N/A	37,447
Total U.S. Department of Homeland Security			359,658
U.S. Department of Transportation:			
Passed through Texas Department of Transportation-			
STEP – Comprehensive	20.600	588EGF6092	236,793
STEP – Impaired Driving Mobilization	20.601	588EGF6013	10,891
STEP – Click It or Ticket	20.609	588XXF6023	5,419
Total U.S. Department of Transportation			253,103
U.S. Department of Justice:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-DJ-BX-0302	45,775
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2006-DJ-BX-0183	32,098
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DJ-BX-0167	22,765
Subtotal Direct Programs			100,638
Passed through the Office of the Attorney General			
Project Safe Neighborhoods	16.609	806018	35,440
Passed through University of North Texas			
National Integrated Ballistic Information Network	16.609	72304-1	10,446
Passed through Navarro County Sheriff's Office			
HIDTA – North Texas	16.xxx	Various	1,266
Total U.S. Department of Justice			147,790
U.S. Department of Agriculture:			
Passed through Texas Department of Agriculture			
Parks and Recreation Summer Food Program	10.559	TX-043-1002	40,412
Total U.S. Department of Agriculture			40,412
U.S. Department of Treasury:			
NTAFTF – North Texas Asset Forfeiture Task Force	21.xxx	N/A	12,618
MATF – Metro Alien Task Force	21.xxx	N/A	7,425
JTTF – Joint Terrorism Task Force	21.xxx	N/A	1,781
Total U.S. Department of Treasury			21,824
Total federal expenditures			\$ 2,592,155

The accompanying notes are an integral part of this schedule.

CITY OF PLANO, TEXAS

Notes to Schedule of Expenditures of Federal Awards

September 30, 2008

(1) General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Plano, Texas (the City) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presents in, or used in the preparation of, the basic financial statements.

The City's reporting entity is defined in note 1 to the City's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule.

(2) Subrecipients

The City provided approximately \$482,000 and \$259,000 to subrecipients from the Community Development Block Grant and HOME program, respectively.

(3) Loans

At September 30, 2008, the amount of loans outstanding related to the Community Development Block Grant and HOME Program were approximately \$869,000 and \$56,000, respectively.

City of Plano, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended September 30, 2008

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal controls over major program:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major program: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grant

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

City of Plano, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended September 30, 2008

PART II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

The audit disclosed no findings required to be reported.

PART III - FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

The audit disclosed no findings required to be reported.



Grant Thornton

January 5, 2009

City Council Members
City of Plano
1520 K Avenue
Plano, TX 75074

Audit • Tax • Advisory

Grant Thornton LLP
1717 Main Street, Suite 1500
Dallas, TX 75201-9436

T 214.561.2300
F 214.561.2370
www.GrantThornton.com

Ladies and Gentlemen:

In connection with our audit of the City of Plano (the “City”) financial statements as of September 30, 2008 and for the year then ended, auditing standards generally accepted in the United States of America (“US GAAS”) established by the American Institute of Certified Public Accountants require that we advise you of the following internal control matters identified during our audit.

Our responsibilities

Our responsibility, as prescribed by US GAAS, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. An audit includes consideration of internal control over financial reporting (hereinafter referred to as “internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of identifying deficiencies in internal control or expressing an opinion on the effectiveness of the Company’s internal control. Accordingly, we express no such opinion on internal control effectiveness.

Because our consideration of internal control was for the limited purpose described above, our audit would not necessarily identify all control deficiencies, significant deficiencies or material weaknesses. However, we are responsible for communicating to management and the board of directors (if applicable, change to: audit committee or another equivalent group, such as the board of trustees, the finance committee, the budget committee, or the owner in an owner-managed enterprise) (hereinafter referred to as “those charged with governance”) any control deficiencies identified during the audit that upon evaluation are considered significant deficiencies or material weaknesses.

Definitions related to internal control deficiencies

A deficiency in internal control (“control deficiency”) exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. Control deficiencies may individually, or in combination, give rise to a significant deficiency or a material weakness.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects a company's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the company's financial statements that is more than inconsequential will not be prevented or detected by the company's internal control. A material weakness is a control deficiency, or combination of control deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the company's internal control.

Identified deficiencies in internal control

We identified the following internal control matters as of the date of this letter.

Significant deficiency

We consider the following identified control deficiency to be a significant deficiency.

- 1. Control: Personnel responsible for program maintenance and the administration of security have appropriate skills and experience.**

Finding: Reliance for the administration, development and technical expertise of H.T.E. is placed solely on one individual (Dell Perry, Sr. Programmer / Analyst). The appropriate skills and expertise for the support, development and administration of the application is limited to one individual with minimal knowledge transfer and required skills provided to additional personnel. Potential risk of application not properly supported and administered if current administrator is no longer employed by the client. Cross-training initiatives, skills transfer, and division of responsibilities for the administration and support of H.T.E. have been insufficient.

Recommendation: We recommend the detail documentation of current administrative and support procedures, hiring of H.T.E. experienced and skilled staff and/or cross-training initiatives, and a division of administrative and support responsibilities.

Management Response: Management is aware of the risks associated with the heavy reliance of one individual for the administrative and support of H.T.E. The City is in the process of identifying individuals to be cross-trained on the H.T.E. system.

Control deficiencies

In addition, we identified the following control deficiencies that are of a lesser magnitude than a significant deficiency.

- 2. Control: Tools for the logging of change requests and/or manual audit trails for change requests are created and retained, including documentation of actions taken, final disposition, and approvals.**

Finding: Changes are applied infrequently within the J.D. Edwards Database. While emails are utilized to capture requests, there is no formal documentation for the tracking of these database changes. The risk exists that potential changes to production database environments and financial data could occur without the review and sign-off by business management.

Recommendation: We recommend a more formal, documented System Development Life Cycle (“SDLC”) process for the documentation of all changes across critical financial applications. We recommend the City enable the logging functionality that exists in the JD Edwards system.

Management Response: We have documentation of changes and approvals in place, normally done through email through all divisions / departments that include Finance Director, Accounting Controller, Budget Director, Budget Manager and Purchasing Systems Specialist. In addition, Data File Utility (DFU) logging will be enabled for the reconciliation of change request to actual changes applied to the database captured from the FDU logging.

3. **Control: All changes are subject to quality assurance review and approval by System Administration personnel prior to promotion into production and the number of people with administrator rights is limited appropriately.**

Finding: Third party contractor has the administrative access to migrate changes into production. Periodic maintenance includes infrequent development changes, configuration changes, and the applying of patches/fixes as required. Potential changes to production environments and financial data without the review and sign-off of business management and System Administration quality review poses a risk

Recommendation: While changes to the production environment are minimal which primarily consist of application updates, GT recommends implementing a more robust documentation process and controls to ensure that changes are properly tracked and reviewed by City of Plano personnel.

Management Response: Promotion of code is only done primarily through two Financial System Administration employees. Assistance from 3rd party contractor is limited and closely monitored. City of Plano will continue to review access periodically.

4. **Control: System requires passwords to be changed periodically.**

Finding: While network security policies exist, password expiration is not defined within J.D. Edwards or H.T.E.

Recommendation: We recommend implementing a password expiration policy for all audit significant applications.

Management Response: Functionality will be enabled within financial systems.

City response

The City's written response to the control deficiencies identified herein has not been subjected to our audit procedures and accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, those charged with governance, and others within the Company (and if applicable, identify any specified regulatory agency) and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Grant Thornton LLP



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal <i>WJ</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Development Business Center		Initials	Date
Department Head	Frank F. Turner	Executive Director	<i>[Signature]</i>	12/20/08
Dept Signature:		City Manager	<i>[Signature]</i>	1/3/09
Agenda Coordinator (include phone #): Sherry Jackson - Ext. 7122				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER				
CAPTION				
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE AMENDMENT TO THE BYLAWS OF THE ARTS OF COLLIN COUNTY COMMISSION, INC. TO EXPAND THE BOARD OF DIRECTORS; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(S):				
COMMENTS:				
SUMMARY OF ITEM				
EXPANSION OF BOARD OF DIRECTORS OF THE ARTS OF COLLIN COUNTY COMMISSION BY AMENDMENT TO BYLAWS.				
List of Supporting Documents: EXHIBIT "A" - ACC RESOLUTION 43-12-08		Other Departments, Boards, Commissions or Agencies		

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE AMENDMENT TO THE BYLAWS OF THE ARTS OF COLLIN COUNTY COMMISSION, INC. TO EXPAND THE BOARD OF DIRECTORS; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, amendments to the Arts of Collin County Commission, Inc. Bylaws require approval by each Owner, and Plano is one of the Owners; and

WHEREAS, the ACC Board has recommended expansion of the Board of Directors to allow each Owner to appoint two Directors to the Board and one additional Director to be appointed by unanimous agreement of the Owners; and

WHEREAS, at a regularly scheduled meeting of the Arts of Collin County Commission, Inc. (ACC), with a quorum in attendance, the ACC reviewed and approved changes to the Amended Bylaws.

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

Section I. The proposed amendment to the Bylaws of the ACC as set forth in Resolution 43-12-08 approved by the ACC on the 17th day of December, 2008 and attached hereto as Exhibit "A" is hereby approved.

Section II. Any Resolution of the City of Plano, Texas, in conflict with the provisions of this resolution is hereby, repealed; provided, however that all other provisions of said resolutions not in conflict with the provisions of this resolution shall remain in full force and effect.

Section III. This resolution shall become effective immediately upon its passage.

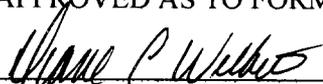
DULY PASSED AND APPROVED this the _____ day of _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:



Diane C. Wetherbee, CITY ATTORNEY

h-2

RESOLUTION NO. 43-12-08

A RESOLUTION OF THE ARTS OF COLLIN COUNTY COMMISSION, INC. APPROVING AMENDMENTS TO THE BYLAWS TO INCREASE THE NUMBER OF DIRECTORS ON THE BOARD OF DIRECTORS; ALLOW EACH OWNER CITY TO APPOINT TWO REPRESENTATIVES TO THE BOARD OF DIRECTORS; ALLOW APPOINTMENT BY UNANIMOUS CONSENT OF ALL THE OWNER CITIES OF ONE AT-LARGE REPRESENTATIVE TO THE BOARD OF DIRECTORS; RECOMMENDING THE AMENDMENTS TO THE OWNER CITIES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Bylaws of the Arts of Collin County Commission were adopted by the Commission on May 20, 2004 and subsequently approved by the Owner cities of Allen, Frisco and Plano;

WHEREAS, the Bylaws of the Arts of Collin County Commission were amended on February 8, 2006; and

WHEREAS, the Board has determined that certain amendments are necessary.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARTS OF COLLIN COUNTY COMMISSION, INC., THAT:

SECTION 1. The Board hereby approves the following amendments to the Bylaws of the Arts of Collin County Commission, Inc.:

- a. **Modify Article II, Section 1(a), first paragraph, to increase the number of Directors Owner cities may appoint and reduce the number of at-large Directors.**

Section 1(a). Each Owner shall be entitled to appoint ~~one (1) two~~ Directors to the Board in accordance with Owner's criteria for Board appointments, ~~and the remaining Directors shall be One (1) additional Director shall be~~ appointed by unanimous agreement of the Owners. The number of Directors shall increase or decrease if the number of Owners increases or decreases. However, the number of Directors shall never be less than five (5) and the Board shall always be composed of an odd number.

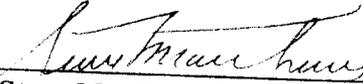
SECTION 2. The Board hereby recommends and requests approval by the Owner cities of Allen, Frisco and Plano, of the amendments set forth above.

SECTION 3. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this resolution, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said resolution, as amended hereby, which shall remain in full force and effect.

SECTION 4. This resolution shall become effective upon the affirmative vote of a majority of the full Board of Directors. The amendment to the Bylaws will become effective after the approval in writing by each Owner.

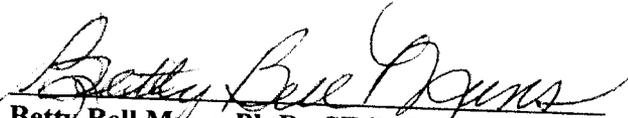
DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE ARTS OF COLLIN COUNTY COMMISSION, INC. ON THIS THE 17 DAY OF DECEMBER, 2008.

APPROVED:



Steve Matthews, PRESIDENT

ATTEST:



Betty Bell Muns, Ph.D., SECRETARY



**BYLAWS OF THE
ARTS OF COLLIN COUNTY COMMISSION, INC.**

**A Texas Local Government Corporation created on behalf of the Cities of Allen,
Frisco, and Plano, Texas**

**ARTICLE I
PURPOSES**

The Arts of Collin County Commission, Inc. (the "Corporation") is organized and will be operated exclusively for one or more charitable purposes, within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). The Corporation is organized for the purpose of aiding, assisting, and acting on behalf of the City of Allen, Texas, the City of Frisco, Texas, and the City of Plano, Texas (collectively the "Cities" and, each individually, a "City") in the performance of their governmental functions to promote the common good and general welfare of the Cities, and to promote, develop, encourage and maintain cultural arts facilities, commerce and economic development in the Cities.

The Corporation is further organized to aid, assist and act on behalf of the Cities by financing, constructing, owning, furnishing, managing and operating performing and visual cultural arts facilities, together with land and improvements related thereto, and other related facilities ("Cultural Facilities"). Subject to applicable state law and any contractual obligations of a City or the Corporation, a City or Cities may discontinue participation in the activities of the Corporation, or a non-participating unit of local government may join in the activities of the Corporation, under procedures established in these Bylaws.

The Corporation is formed pursuant to the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the "Act"), as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the Corporation to assist and act on behalf of the Cities and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations

incorporated under the Act including, without limitation, Article 1396, Vernon's Texas Civil Statutes (the Texas Non-Profit Corporation Act).

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations in Texas and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created; provided, however, that the Corporation shall not issue any bond, certificate, note or other obligation evidenced by an instrument without the written consent of each of the Cities and except as authorized under Section 3 of Article IV Financial Responsibilities of these Bylaws.

The Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code. The Corporation shall have the power to acquire land in accordance with the Act as amended from time to time.

Each City and any other unit of local government that executes binding commitments to provide funding and otherwise is qualified to appoint a Director to the Board as permitted by these Bylaws or other documents, shall be referred to as an "Owner", and they are collectively referred to as "Owners".

All references herein to the consent or written consent of a City or an Owner shall refer to an ordinance, resolution or order of the governing body of the City or Owner.

ARTICLE II BOARD OF DIRECTORS

Section 1. Appointment, Powers, Number, and Term of Office. All powers of the Corporation shall be vested in a Board of Directors ("Board"). The Board shall independently manage and operate the Cultural Facilities in accordance with all applicable laws and documents, including the Articles of Incorporation, these Bylaws, the Contribution and Interlocal Agreements, the Arts of Collin County Vision Statement and such other documents agreed to by the Owners and as the same may be amended from time to time.

The Board shall initially consist of five (5) persons. The number of Directors on the Board may only be increased or decreased in accordance with these Bylaws. Directors of the Corporation ("Director" or "Directors") shall be appointed to the Board as follows:

- (a) Each Owner shall be entitled to appoint one (1) Director to the Board in accordance with Owner's criteria for Board appointments and the remaining Directors shall be appointed by unanimous agreement of the Owners. The number of Directors shall increase or decrease if the number of Owners increases or decreases. However, the

number of Directors shall never be less than five (5) and the Board shall always be composed of an odd number.

For the initial Board, the terms shall be staggered with one of the Owner's selections serving a one (1) year term, two of the Owner's selections serving a two (2) year term and the remaining Directors serving a full three (3) year term. Thereafter, each Director shall serve for a three (3) year term, or until his or her successor is appointed by the entity authorized to appoint the Director; provided, however, upon the death, resignation or removal of a Director, the entity responsible for that Director's appointment shall appoint a replacement Director to serve for the unexpired term of office of the replaced Director. No term limits are imposed by these Bylaws. Any restriction as to term is governed by the entity appointing such Director.

(b) Any Director may be removed from office at any time, with or without cause, by the entity authorized to appoint that Director. Directors appointed jointly by all Owners may be removed at any time by unanimous vote of all Owners.

(c) All Directors shall have full and equal voting rights. All references herein to an act, resolution or vote of the Directors shall refer to a vote of the Directors entitled to vote on the matter as provided herein.

Section 2. Meetings of Directors. The Directors may hold their meetings and may have an office and keep the books of the Corporation at such place or places within Collin County as the Board may from time to time determine; provided, however, in the absence of any such determination, such place shall be the registered office of the Corporation in the State of Texas.

The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required of a City under Chapter 551, Texas Government Code (the "Open Meetings Act").

The Corporation, the Board, and any committee of the Board exercising the powers of the Board are subject to Chapter 552, Texas Government Code (the "Open Records Act").

Section 3. Annual Meetings. No annual meeting shall be required.

Section 4. Regular Meetings. Regular meetings of the Board shall be held at least quarterly at such times and places as shall be designated, from time to time, by resolution of the Board.

Section 5. Special and Emergency Meetings. Special and emergency meetings of the Board shall be held whenever called by the President of the Board or the Secretary or by a majority of the Directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, facsimile, mail or email at least three (3) days before the meeting to each Director and to

the public in compliance with the Open Meetings Act. Notice of each emergency meeting shall also be given in the manner required of the Cities under Section 551.045 of the Open Meetings Act. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special or emergency meeting. At any meeting at which every Director shall be present, even though without any notice, any matter pertaining to the purposes of the Corporation may be considered and acted upon to the extent allowed by the Open Meetings Act.

Section 6. Quorum. A majority of the Board then appointed and serving shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

A Director who is present at a meeting of the Board at which any corporate action is taken shall be presumed to have assented to such action unless his dissent or abstention shall be entered in the minutes of the meeting or unless he shall file his written dissent or abstention to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent or abstention by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a Director who voted in favor of the action.

Section 7. Conduct of Business. At the meetings of the Board, matters pertaining to the purpose of the Corporation shall be considered in such order as the Board may from time to time determine.

At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice President shall preside. In the absence of the President and the Vice President, an acting President shall be chosen by the Board from among the Directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 8. Executive Committee, Other Committees. The Board may, by a resolution passed by a majority of the Directors, designate two (2) or more Directors to constitute an Executive Committee or other type of committee. In addition, the Board may appoint members of Corporation staff and citizens of the Owners to be members of a committee except for an Audit, Compensation or Governance Committee, which committee may only be composed of Directors.

To the extent provided in the authorizing resolution for the committee and the Board approved committee charter, a committee shall have and may exercise the authority of the Board in the management of the Corporation, except where action of the Board is specified by statute. Each committee so designated shall keep regular minutes.

of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board from time to time. Committees authorized to exercise the powers of the Board shall give notice of any meeting in the manner required for a meeting of the Board. Committees are subject to the regulations which apply to committees of government entities including the open records and open meetings acts.

Section 9. Compensation of Directors. Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, however, Directors may be reimbursed for reasonable and necessary expenses incurred in carrying out the Corporation's purposes.

Section 10. Advisory Committee. The Board shall establish an Advisory Committee composed of members who are, in the judgment of the Board, qualified to advise with respect to the activities of the Corporation. The size of the Advisory Committee will be determined by the Board and may be adjusted from time to time. The Board will designate one of its Directors to be a liaison to the Advisory Committee to assure close communication between the Board and the Advisory Committee.

Committee Members shall serve for a term of one (1) year or such longer term as may be fixed by the Board. Committee Members may be removed by the Board at any time, with or without cause. The officers and Directors of the Corporation may consult with the Advisory Committees from time to time with respect to the activities of the Corporation, but the Advisory Committee shall in no way exercise or restrict the powers of the Board nor limit its responsibility for the management of the affairs of the Corporation. Committee Members shall not receive any salary or compensation for their services; provided, however, Committee Members may be reimbursed for reasonable and necessary expenses incurred in carrying out the Corporation's purposes with prior approval of the Board.

Section 11. Director's Reliance on Consultant Information. A Director shall not be liable if while acting in good faith and with ordinary care, he or she relies on information, opinions, reports or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by:

- (a) One or more other officers or employees of the Corporation;
- (b) An employee of an Owner, Member, Supporter, or Patron. The terms "Member," "Supporter," and "Patron" in this section and in section 7 (c) of Article III have that meaning as set forth in Article IV of the Interlocal Agreement;
- (c) Legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or,
- (d) A committee of the Board of which the Director is not a member.

Section 12. Executive Director. The Board is authorized to hire an Executive Director who shall serve at the pleasure of the Board. The Board shall establish the compensation, duties and other responsibilities of the Executive Director. The hiring and/or removal of the Executive Director shall be by a majority vote of the appointed Board.

ARTICLE III OFFICERS

Section 1. Titles and Term of Office. The officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except the President shall not hold the office of Secretary. The term of office for each officer shall commence on the date of such officer's election and terminate on the earlier of: (a) the date that the officer is replaced by the Board; or (b) if the officer is a member of the Board, the date that the officer is no longer a member of the Board.

All officers shall be appointed and subject to removal, with or without cause, by a vote of a majority of the Board.

A vacancy in any office shall be filled by a vote of a majority of the Board.

Section 2. Powers and Duties of the President. The President shall be a member of the Board and shall preside at all meetings of the Board. He or she shall have such duties as are assigned by the Board. The President may call special or emergency meetings of the Board. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, the President or Vice President may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Corporation. The President shall be an ex-officio member of all committees.

Section 3. Powers and Duties of the Vice President. A Vice President shall be a member of the Board and shall have such powers and duties as may be assigned to him or her by the Board or the President, including the performance of the duties of the President upon the death, absence, disability, or resignation of the President, or upon the President's inability to perform the duties of his or her office. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 4. Treasurer. The Treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such other officer as is designated by the Board; he or she shall enter or cause to be entered regularly in the books of the Corporation to be

kept by him or her for that purpose full and accurate accounts of all moneys received and paid out on account of the Corporation; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; including the monitoring and audit of all cash accounts whose existence must first be approved by the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, he or she may sign with the President in the name of the Corporation and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; he or she shall have charge of the Corporation's books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the Corporation during business hours; and, he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board.

Section 6. Compensation. Except for Directors, Officers are entitled to receive any such salary or compensation for their duties as approved by the Board. All Officers are entitled to receive reimbursement for their reasonable expenses only in performing their functions in accordance with policies adopted by the Board.

Section 7. Officer's Reliance on Consultant Information. In the discharge of a duty imposed or power conferred on an officer of the Corporation, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by:

- (a) One or more other officers or employees of the Corporation, including members of the Board;
- (b) Legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
- (c) An employee of an Owner, Member, Supporter, or Patron.

ARTICLE IV FINANCIAL RESPONSIBILITIES

Section 1. Audit. As expeditiously as possible, the Board shall have an annual audit prepared by an independent auditor, who is duly licensed or certified as a public accountant in the State of Texas, of the financial books and records of the Corporation.

Section 2. Capital Spending Authority: The Board may expend funds for capital improvements for the Cultural Facilities as follows:

(a) Funds from an Owner or Owners shall be used for the purposes of the Corporation as authorized and directed by the City or Cities.

(b) Funds from other sources, such as donations, may be used at the discretion of the Board for capital purposes as long as the uses are consistent with the Owners' direction and are not reasonably expected by the Board to increase the operation and maintenance costs of the Corporation above the limits established in Section 4, below or have a capital cost greater than \$100,000.

Section 3. Issuance of Debt. The Board is authorized to issue short-term debt only. Short-term debt is that amount which is payable in less than one (1) year from date of issuance. Where possible, the amount and purpose of the short term debt shall be projected by the Corporation in its annual budget to the Owners.

The cumulative amount of short term debt in any fiscal year shall not exceed twenty-five percent (25%) of the total operation and maintenance portion of the budget for that fiscal year. Owners shall be given the first opportunity to provide these funds before the Board incurs debt.

Section 4. Increase of O&M Costs. In the event any one or more items is added during a fiscal year that would increase or cause the annual operation and maintenance costs to exceed ten percent (10%) above the budgeted amount for that year, the Board must receive prior approval from all Owners prior to making that addition.

Section 5. Fiscal Year. The fiscal year of the Corporation shall begin October 1 of each year.

Section 6. Annual Budget. No later than 90 days prior to the beginning of each fiscal year, the Board shall prepare, or cause to be prepared, and approve a budget (the "Budget") for each fiscal year. The Budget must be approved by a three-quarters (3/4) majority vote of the Board. After approval by the Board, the Budget shall be submitted to each Owner for final approval.

If the Board fails to approve the Budget, or if the Budget is not approved by each Owner, then during the first three years of this Agreement, the Budget for the prior fiscal year shall be deemed approved.

After the third year of the Agreement and if the Budget is not approved by either the Board or all Owners, then the next year's Budget is the greater of:

The total amount of the prior year's Budget; or,

The average of the annual Budgets for the prior three (3) years.

Section 7. Line Item Flexibility. The Board has the authority to shift operation and maintenance funds from one line item to another.

Section 8. Payments. Beginning October 1, Owners shall make their annual payments to the Corporation in quarterly installments each year. Payments shall be made on or before the first business day of each quarter of the fiscal year.

Section 9. Reserve Fund. The budget shall provide for a reserve fund for the replacement of scheduled assets. Any unencumbered funds remaining at the end of the fiscal year shall be converted to the reserve fund.

Section 10. Other Funds. Other funds, such as charitable donations, may be used by the Board in accordance with the approved budget or if not anticipated in the budget as the Board directs providing the limitation set out in Section 4, above or a capital cost of \$100,000 is not exceeded.

ARTICLE V INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right to Indemnification. Subject to the limitations and conditions as provided in this Article V and the Articles of Incorporation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative (hereinafter a "proceeding"), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director or officer of the Corporation or while a Director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the Corporation to the fullest extent permitted by the Texas Non-Profit Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlement and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article V shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnify hereunder. The rights granted pursuant to this Article V shall be deemed contract rights, and no amendment, modification or repeal of this Article V shall have the effect of limiting or denying any such rights with respect to actions taken or proceedings arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Article V could involve indemnification for negligence or under theories of strict liability.

Section 2. Advance Payment. The right to indemnification conferred in this Article V shall include the right to be paid in advance or reimbursed by the Corporation the reasonable expenses incurred by a person of the type entitled to be indemnified under Section I who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of a written affirmation by such Director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article V and a written undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article V or otherwise.

Section 3. Indemnification of Employees and Agents. The Corporation, by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the Corporation to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article V; and the Corporation may indemnify and advance expenses to persons who are not or were not Directors, officers, employees or agents of the Corporation but who are or were serving at the request of the Corporation as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person to the same extent that it may indemnify and advance expenses to Directors under this Article V.

Section 4. Appearance as a Witness. Notwithstanding any other provision of this Article V, the Corporation may pay or reimburse expenses incurred by a Director or officer in connection with his or her appearance as a witness or other participation in a proceeding involving the Corporation or its business at a time when he or she is not a named defendant or respondent in the proceeding.

Section 5. Non-exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article V shall not be exclusive of any other right which a Director or officer or other person indemnified pursuant to Section 3 of this Article V may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation or these Bylaws, agreement, vote of shareholders or disinterested Directors or otherwise.

Section 6. Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust or other enterprise against any

expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under this Article V.

Section 7. Notification. Any indemnification of or advance of expenses to a Director or officer in accordance with this Article V shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

Section 8. Savings Clause. If this Article V or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each Director, officer or any other person indemnified pursuant to this Article V as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article V that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VI Executive Director

Powers and Duties of the Executive Director. The Executive Director shall be the principal executive officer of the Corporation and, subject to the control of the Board, he or she shall be in general charge of the properties and affairs of the Corporation. The Executive Director has management and control of the properties and operations of the Corporation, including the powers of a general manager. The Executive Director shall be an ex-officio of all Board committees, except the Audit Committee. The Executive Director will be responsible to implement all orders and resolutions of the Board of Directors, and all other powers that are not specifically reserved to the Directors or Owners, will be executed by the Executive Director within the general guidelines and policies of the Board and Owners.

The Executive Director shall be responsible for hiring and firing of the employees of the Corporation. All employees hired by the Executive Director shall be terminable at-will and not be provided any term or promise of employment.

The Executive Director is authorized to approve all contracts and expenditures that are not greater than \$25,000 without Board approval as long as funds are budgeted and are available for the expenditure.

ARTICLE VII CODE OF ETHICS

Section 1. Policy and Purposes.

(a) It is the policy of the Corporation that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the

appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that the Board establish policies to control and manage the affairs of the Corporation fairly, impartially, and without discrimination.

(b) This Code of Ethics has been adopted as part of the Corporation's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

Section 2. Conflicts of Interest

(a) *Abide by State and Criminal Laws for Public Officers.* All directors, officers and employees shall abide by the state civil and criminal laws regarding conflict of interest, official misconduct and other regulations and restrictions involving their official duties.

(b) *Disclosure and Abstention.* It is the intent of these Bylaws, that the Directors, Executive Director and officers shall take all steps to avoid the appearance of impropriety in the conduct of their affairs on behalf of the Corporation. This includes not engaging in any conduct, business that may be deemed to compromise their independent judgment in executing their duties as Corporation officials. In the event that a Director, officer, or Executive Director has any financial or equitable interest, direct or indirect, in a transaction that comes before the Board, or Advisory Committee or the Executive Director, the affected Director or officer, must:

- (i) Disclose that interest in writing and file it with the Board Secretary; and,
- (ii) Refrain from discussing or voting on the same.

(c) *Restrictions on Executive Director.* The Executive Director is precluded from having any financial or equitable interest in any contract, service or acquisition that is subject to his approval or that his subordinates may approve or monitor.

(d) *Definition of Financial Interest/Relative.* The "financial interest" contemplated under (b) and (c) of this Article requires that the affected person who is the Director, officer, or Executive Director or their relative receive an actual financial benefit from the transaction with the Corporation. A relative is a person related within the first degree of consanguinity or affinity to the Director, officer, or Executive Director. A financial or equitable interest does **not** include the following:

- (i) An ownership in the entity transacting business with the Corporation where the ownership interest is less than one percent (1%).
- (ii) Compensation as an employee, officer or director of the entity transacting business with the Corporation where such compensation is not affected by the entity's transaction with the Corporation.
- (iii) An investment or ownership in a publicly held company in an amount less than **TEN THOUSAND DOLLARS (\$10,000.00)**

- (iv) An employee of a public entity may serve on the Board.

Section 3. Acceptance of Gifts. No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Corporation. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or officer's discretion. As used here, "benefit" does not include:

(a) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a Director or officer;

(b) a gift or other benefit conferred on an account of kinship or a personal, professional, or business relationship independent of the official status of the Director or officer;

(c) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

(1) not more than one honorarium is received from the same person in a calendar year;

(2) not more than one honorarium is received for the same service; and

(3) the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services.

(d) A benefit consisting of food, lodging, transportation, or entertainment accepted as a guest is reported as may be required by law.

Section 5. Nepotism. No Director or officer shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree of consanguinity to the Director or officer so appointing, voting or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship employment or duty at least thirty (30) days prior to the appointment of the Director or officer so appointing or voting.

**ARTICLE VIII
MISCELLANEOUS PROVISIONS**

Section 1. Seal. The seal of the Corporation shall be such as may be from time to time approved by the Board.

Section 2. Notice and Waiver of Notice. Whenever any notice, other than public notice of a meeting given to comply with the Open Meetings Act, is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. If transmitted by facsimile or email, such notice shall be deemed to be delivered upon successful transmission of the facsimile or email. A Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting unless such attendance is for the purpose of objecting to the failure of notice. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 3. Resignations. Any Director, officer or committee member may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignations shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 4. Gender. References herein to the masculine gender shall also refer to the feminine in all appropriate cases and vice versa.

Section 5. Appropriations and Grants. The Corporation shall have the power to request and accept any appropriations, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision, or municipality in the State, or from any other source.

Section 6. Reports. The Board shall submit to each Owner in an expedient manner an Annual Report and Annual Audit, following the end of each fiscal year.

Section 7. Use of Corporation's Property and Facilities. The Board shall from time to time develop a formal, written policy (the "Usage Policy") governing the use of the Corporation's property and facilities (collectively, the "Facilities"). The usage policy shall (a) ensure that citizen groups from each Owner are given preferential rights as to the use of the Facilities and (b) establish a fee-for-use structure for the use of the Facilities. The Usage Policy, and any amendment or alteration thereto, must be approved in writing by each Owner.

**ARTICLE IX
AMENDMENTS**

A proposal to alter, amend or repeal these Bylaws shall be made by the affirmative vote of a majority of the full Board then appointed and serving at any regular or special meeting. However, any proposed change or amendment to the Bylaws must be approved in writing by each Owner to be effective.

Amended by ACC Board of Directors February 8, 2006



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Customer and Utility Services		Initials	Date
Department Head	Mark Israelson	Executive Director	<i>[Signature]</i>	12/29/08
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	12/29/08
Agenda Coordinator (include phone #): Nancy Rodriguez X7510				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER				
CAPTION				
RESOLUTION OF THE CITY OF PLANO SUSPENDING THE EFFECTIVE DATE OF COSERV GAS LTD.'S REQUESTED RATE CHANGES TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES WITHIN THE COSERV SYSTEM TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; AUTHORIZING INTERVENTION IN THE PROCEEDING AT THE RAILROAD COMMISSION; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY; AND PROVIDING AN EFFECTIVE DATE.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(s):				
COMMENTS:				
SUMMARY OF ITEM				
This resolution suspends the January 23, 2009 effective date of the Company's rate increase for the maximum period permitted by law and authorizes the City to work together with other cities to investigate the rate increase request, negotiate with CoServ, intervene and participate in the litigation of any necessary administrative proceedings or court litigation related to an appeal of city action taken regarding the Company's filing.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		
Memo to City Council				

M E M O R A N D U M

TO: Plano City Council
THROUGH: Thomas H. Muehlenbeck, City Manager
FROM: Mark Israelson, Director Customer and Utility Services
RE: Resolution to Suspend CoServ Gas LTD's Rate Change
DATE: January 12, 2009

On December 18, 2008, CoServ Gas Ltd. ("CoServ" or "Company") filed with the City a Statement of Intent to Increase Rates. CoServ asks the City to approve rate changes expected to increase Company revenues by \$2.9 million, an overall total revenue increase of approximately five percent (5%).

CoServ's most recent rate case was filed by the Company in 2004. The City, participating in a coalition with other cities served by CoServ, ultimately settled the CoServ's rate request in 2005, reducing the Company's requested increase by more than fifty percent.

Purpose of the Resolution:

The law provides that a rate request made by a natural gas utility cannot become effective until 35 days following the filing of the application to change rates. The law permits the City to suspend the effective date for 90 days. The resolution suspends the January 23, 2009 effective date of the Company's rate increase for the maximum period permitted by law to allow the City time to evaluate the filing, determine whether the filing complies with the law, and if lawful, to determine what further strategy, including settlement or litigation, to pursue.

If the City does not take action to suspend the filing, CoServ may begin charging increased rates after January 23, 2009.

The resolution also authorizes the City to work together with other cities served by CoServ to investigate the rate increase request, negotiate with the Company, intervene and participate in the litigation of any necessary administrative proceedings or court litigation related to an appeal of city action taken regarding the Company's filing.

Explanation of "Be It Resolved" Paragraphs:

Section 1. The city is authorized to suspend the January 23, 2009 effective date for 90 days for any legitimate purpose. Please note that the resolution refers to the suspension period as "the maximum period allowed by law" rather than ending by a specific date. This is because the Company controls the effective date and can extend the deadline for final city action to increase the time that the City retains jurisdiction, if necessary, to reach settlement of the case. If the suspension period is not increased by the Company, the City must take final action on CoServ's request to raise rates by April 23, 2009.

Section 2. Negotiating clout and efficiency is enhanced by the City cooperating with other cities served by CoServ in a common review and common purpose. Additionally, rate case expenses are minimized when the cities hire one set of attorneys and experts to investigate the Company's filing. This provision authorizes the City to participate with other cities in the investigation of the Company's rate increase request, settlement discussions, and in any appeal of an action taken by the city. Any settlement negotiated by the coalition of cities must be approved by all city councils through new rate ordinances.

Section 3. Cities are statutorily entitled to recover their reasonable rate case expenses from the utility. No individual city incurs liability for payment of rate case expenses by adopting a suspension resolution.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and where the consideration of the Resolution was properly noticed.

Section 5. This section provides that both CoServ and counsel for the coalition of cities will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

RESOLUTION NO. _____

RESOLUTION OF THE CITY OF PLANO SUSPENDING THE EFFECTIVE DATE OF COSERV GAS LTD.'S REQUESTED RATE CHANGES TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES WITHIN THE COSERV SYSTEM TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; AUTHORIZING INTERVENTION IN THE PROCEEDING AT THE RAILROAD COMMISSION; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on or about December 18, 2008, CoServ Gas Ltd. ("CoServ"), filed with the City of Plano a Statement of Intent to change gas rates in all municipalities within the CoServ System; and

WHEREAS, it is reasonable for the City of Plano to cooperate with other cities in a review of the Company's Statement of Intent and to coordinate the hiring and direction of legal counsel and consultants and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

WHEREAS, Gas Utility Regulatory Act § 103.022 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

SECTION 1. That the January 23, 2009 effective date of the rate request submitted by CoServ be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION II. That the City is authorized to cooperate with other cities in the CoServ service area to hire and direct legal counsel and consultants, negotiate with the Company, and to intervene and participate in any necessary administrative proceedings or court litigation associated with an appeal of city action.

SECTION III. That the City's reasonable rate case expenses shall be reimbursed by CoServ.

SECTION IV. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION V. A copy of this Resolution shall be sent to Charles D. Harrell, Chief Financial Officer, CoServ Gas Ltd., 7701 South Stemmons, Corinth, Texas 76210-1842 and to Kristen Doyle, counsel for Cities Served by CoServ at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Ste. 1900, Austin, Texas 78701.

SECTION VI. This resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, ON THIS THE _____ DAY OF _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/09		Reviewed by Legal ✓	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Department:	Engineering		Initials	Date	
Department Head	Alan L. Upchurch	Executive Director	<i>[Signature]</i>	12/21/08	
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	1/15/09	
Agenda Coordinator (include phone #): Irene Pegues (7198) ✓					

ACTION REQUESTED: ORDINANCE RESOLUTION CHANGE ORDER AGREEMENT
 APPROVAL OF BID AWARD OF CONTRACT OTHER

CAPTION

A resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of an Interlocal Cooperation Agreement by and between the City of Plano and Collin County, Texas, providing for the Widening of Independence Parkway from McDermott Road to SH 121; authorizing its execution by the City Manager, or in his absence an Executive Director; and providing an effective date.

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	800,000	0	800,000
BALANCE	0	800,000	0	800,000

FUND(S): STREET IMPROVEMENT CIP

COMMENTS: This item allows the City to enter into an interlocal agreement with Collin County for the Independence – McDermott to SH 121 project. If this request is approved, Collin County will remit to the City \$800,000 for widening of Independence Parkway from McDermott Road to SH 121.

STRATEGIC PLAN GOAL: Interlocal agreements for street improvements relate to the City's Goal of Safe, Efficient Travel.

SUMMARY OF ITEM

This Agreement provides for Collin County to remit to the City the sum of up to \$800,000.00 for the Widening of Independence Parkway from McDermott Road to SH 121. Half of the County funds will be provided after a notice to proceed is issued, the remaining half when the project is half completed. These funds were allocated from the 2003 Collin County Bond Program.

List of Supporting Documents:
Location Map

Other Departments, Boards, Commissions or Agencies
N/A

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL COOPERATION AGREEMENT BY AND BETWEEN THE CITY OF PLANO AND COLLIN COUNTY, TEXAS, PROVIDING FOR THE WIDENING OF INDEPENDENCE PARKWAY FROM MCDERMOTT ROAD TO SH 121; AUTHORIZING ITS EXECUTION BY THE CITY MANAGER, OR IN HIS ABSENCE AN EXECUTIVE DIRECTOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes governmental entities to contract with each other to perform government functions and services under the terms thereof; and

WHEREAS, the City Council has been presented a proposed Interlocal Cooperation Agreement by and between the City of Plano, Texas, and Collin County, Texas, providing terms and conditions for the Widening of Independence Parkway from McDermott Road to SH 121, a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Agreement"); and

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager, or in his absence an Executive Director, should be authorized to execute it on behalf of the City of Plano.

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

Section I. The terms and conditions of the Agreement, having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interest of the City of Plano and its citizens, are hereby in all things approved.

Section II. The City Manager, or in his absence an Executive Director, is hereby authorized to execute the Agreement and all other documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Agreement.

Section III. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED the _____ day of _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

**INTERLOCAL AGREEMENT
BETWEEN COLLIN COUNTY AND THE CITY OF PLANO
CONCERNING THE WIDENING OF INDEPENDENCE PARKWAY FROM
MCDERMOTT ROAD TO SH 121**

2003 BOND PROJECT #03-59

WHEREAS, the County of Collin, Texas ("County"), and the City of Plano, Texas ("City"), desire to enter into an agreement concerning the Widening of Independence Parkway from McDermott Road to SH 121 (the "Project") in Plano, Collin County, Texas; and

WHEREAS, the Interlocal Cooperation Act (Texas Government Code Chapter 791) authorizes any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act; and

WHEREAS, the City and County have determined that the improvements may be constructed most economically by implementing this agreement.

NOW, THEREFORE, this agreement is made and entered into by the County and the City upon and for the mutual consideration stated herein.

WITNESSETH:

ARTICLE I.

The City shall arrange to widen Independence Parkway from McDermott Road to SH 121, hereinafter called the "Project". The Project shall consist of widening from four lanes to six lanes, a distance of approximately 6,000 feet. All improvements shall be designed to meet or exceed the current Collin County design standards and shall be constructed in accordance with the plans and specifications approved by the City.

ARTICLE II.

The City shall prepare plans and specifications for the improvements, accept bids and award a contract to construct the improvements and administer the construction contract. In all such activities, the City shall comply with all state statutory requirements. The City shall provide the County with a copy of the executed construction contract(s) for the Project.

ARTICLE III.

The City will acquire no real property in the vicinity of the improvements for use as right-of-way.

ARTICLE IV.

The City estimates the total actual cost of the project to be \$1,400,000.00. The County agrees to fund one half of the total cost to construct the improvements in an amount not to exceed \$800,000.00. The County shall remit 50 percent of this amount, \$400,000.00, to the City within thirty (30) days after the City issues a Notice to Proceed to the lowest responsible bidder and the City requests payment or upon the availability of bond funds for this Project, whichever occurs later. The County will remit the remaining 50 percent within thirty (30) days after receipt of notice from the City that the Project is 50 percent complete. Following completion of the Project, the City shall provide a final accounting of expenditures for the Project. If the actual cost to construct the Project is less than the estimated amount set forth herein, the City shall remit the County 50 percent of the difference between the estimated cost and the actual cost. The Commissioners Court may revise this payment schedule based on the progress of the Project. The "total cost of the Project" shall include land acquisition, engineering, construction, inspection, testing, street lighting, and construction administration costs including contingencies.

ARTICLE V.

If the total cost to construct the Project exceeds the amount estimated in Article IV above, the County and City shall share the excess costs equally; however, the County's participation in the Project shall not exceed \$800,000.00. Any County funds not used for this project shall be applied to a mutually agreed upon project.

ARTICLE VI.

The City shall prepare for the County an itemized statement specifying Project costs that have been incurred to date and submit detailed Project cost and progress reports every thirty (30) days until Project completion.

ARTICLE VII.

The City and County agree that the party paying for the performance of governmental functions or services shall make those payments only from current revenues legally available to the paying party.

ARTICLE VIII.

INDEMNIFICATION. To the extent allowed by law, each party agrees to release, defend, indemnify, and hold harmless the other (and its officers, agents, and employees) from and against all claims or causes of action for injuries (including death), property damages (including loss of use), and any other losses, demands, suits, judgments and costs, including reasonable attorneys' fees and expenses, in any way arising out of, related to, or resulting from its performance under this agreement, or caused by its negligent acts or omissions (or those of its respective officers, agents, employees, or any other third parties for whom it is legally responsible) in connection with performing this agreement.

ARTICLE IX.

VENUE. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this agreement. The parties agree that this agreement is performable in Collin County, Texas, and that exclusive venue shall lie in Collin County, Texas.

ARTICLE X.

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

ARTICLE XI.

ENTIRE AGREEMENT. This agreement embodies the entire agreement between the parties and may only be modified in writing executed by both parties.

ARTICLE XII.

SUCCESSORS AND ASSIGNS. This agreement shall be binding upon the parties hereto, their successors, heirs, personal representatives and assigns. Neither party will assign or transfer an interest in this agreement without the written consent of the other party.

ARTICLE XIII.

IMMUNITY. It is expressly understood and agreed that, in the execution of this agreement, neither party waives, nor shall be deemed hereby to have waived any immunity or defense that would otherwise be available to it against

claims arising in the exercise of governmental powers and functions. By entering into this agreement, the parties do not create any obligations, express or implied, other than those set forth herein, and this agreement shall not create any rights in parties not signatories hereto.

ARTICLE XIV.

TERM. This agreement shall be effective upon execution by both parties and shall continue in effect annually until final acceptance of the Project. This agreement shall automatically renew annually during this period.

APPROVED AS TO FORM:

COUNTY OF COLLIN, TEXAS

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: Ron Harris
Title: County Judge
Date: _____

Executed on this ____ date of _____, 2009, by the County of Collin, pursuant to Commissioners' Court Order No. _____

ATTEST:

CITY OF PLANO, TEXAS

By: _____
Name: Diane Zucco
Title: City Secretary
Date: _____

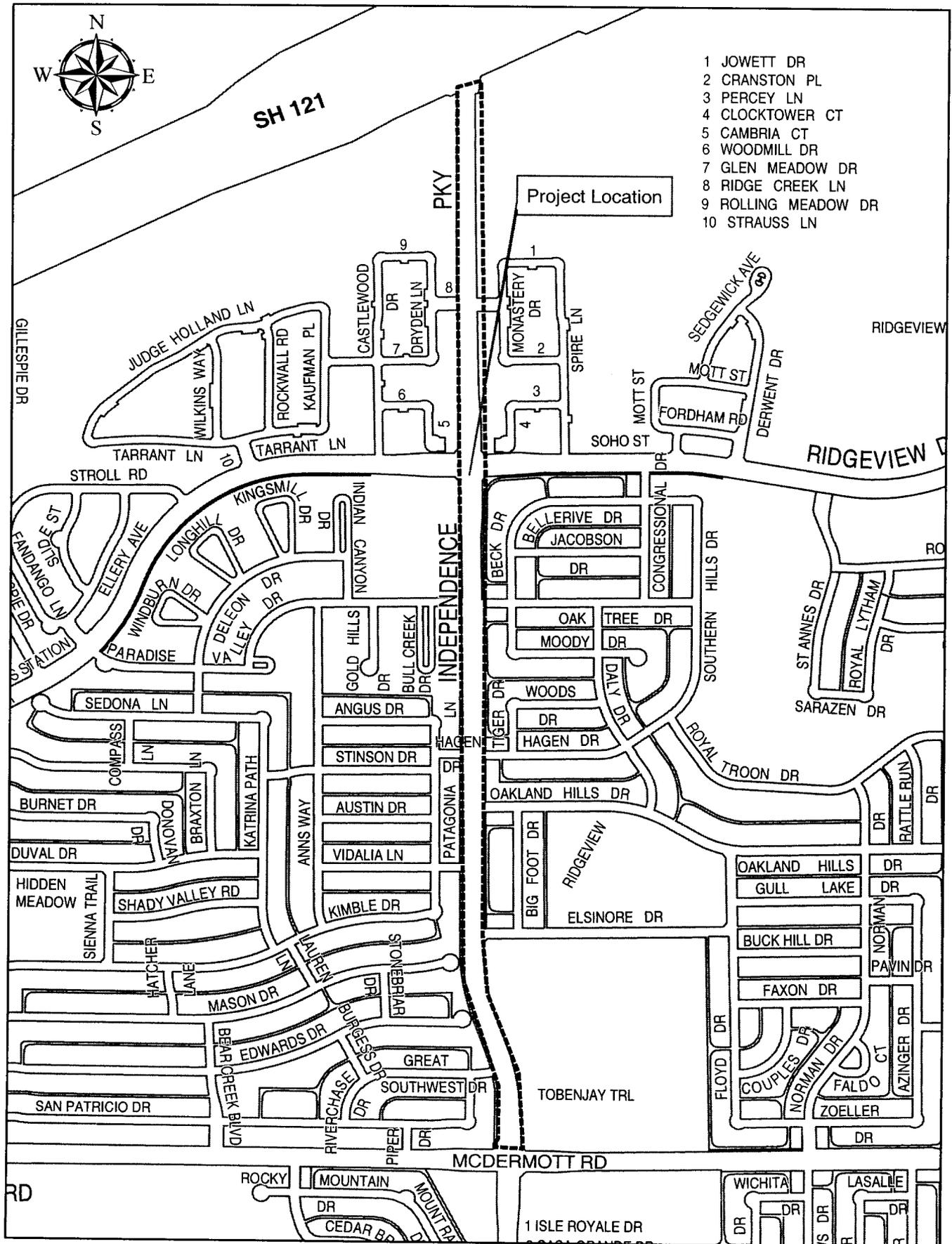
By: _____
Name: Thomas H. Muehlenbeck
Title: City Manager
Date: _____

Executed on behalf of the City of Plano pursuant to City Council Resolution No. _____

APPROVED AS TO FORM:

By: _____
Name: Diane Wetherbee
Title: City Attorney
Date: _____

INDEPENDENCE PKWY - MCDERMOTT RD TO SH 121





**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09		Reviewed by Legal	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Engineering		Initials	Date	
Department Head	Alan L. Upchurch	Executive Director	<i>[Signature]</i>	12/31/08	
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	12/31/08	
Agenda Coordinator (include phone #):		Irene Pegues (7198) <i>[Signature]</i>			

ACTION REQUESTED: ORDINANCE RESOLUTION CHANGE ORDER AGREEMENT
 APPROVAL OF BID AWARD OF CONTRACT OTHER

CAPTION

A Resolution of the City Council of the City of Plano, Texas, approving the settlement of the lawsuit styled City of Plano, Texas v. Technology Properties III L.P., Cause No. 004-78-08, Collin County Court at Law No. 4, in the amount of \$90,000.00; authorizing the City Manager or his designee to execute any and all documents necessary to settle such lawsuit; and providing an effective date.

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	120,297	677,703	0	798,000
Encumbered/Expended Amount	-120,297	-679,889	0	-800,186
This Item	0	-10,000	0	-10,000
BALANCE	0	-12,186	0	-12,186

FUND(S): STREET IMPROVEMENT CIP

COMMENTS: Funds are available in the Street Improvement CIP. This item, in the amount of \$10,000, will exceed the current year allocation and approve a condemnation settlement for the Jupiter/Plano Parkway Intersection Improvements project. The overage will be covered through savings and reallocation from the Wyatt North and Los Rios projects.

STRATEGIC PLAN GOAL: Resolution of condemnation settlements for street improvements relates to the City's Goal of Safe, Efficient Travel.

SUMMARY OF ITEM

This Resolution approves the condemnation settlement agreement for the acquisition of a Street and Utility Easement off the Technology Properties III property at the southwest corner of Jupiter and Plano Parkway. The settlement was for \$90,000, of which \$80,000 has already been deposited with the court. The remaining \$10,000 is to be paid prior to December 31, 2008.

List of Supporting Documents: N/A	Other Departments, Boards, Commissions or Agencies N/A
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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE SETTLEMENT OF THE LAWSUIT STYLED CITY OF PLANO, TEXAS V. TECHNOLOGY PROPERTIES III L.P., CAUSE NO. 004-78-08, COLLIN COUNTY COURT AT LAW NO. 4, IN THE AMOUNT OF \$90,000.00; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO SETTLE SUCH LAWSUIT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, there is pending in Collin County Court at Law No. 4, a lawsuit styled City of Plano, Texas v. Technology Properties III L.P., Cause No. 004-78-08 ("Lawsuit"); and

WHEREAS, the parties agreed to settle this Lawsuit for the total amount of **NINETY THOUSAND AND 00/100 DOLLARS (\$90,000.00)** and other good and valuable consideration subject to approval of the City Council; and

WHEREAS, the City Council of the City of Plano hereby finds that it is in the public interest to accept this settlement offer and that the City Manager or his designee shall be authorized to execute any and all documents necessary to consummate the settlement.

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

Section I. City Council approves the settlement of this Lawsuit in the total amount of **NINETY THOUSAND AND 00/100 DOLLARS (\$90,000.00)** pursuant to the terms and conditions of the mediation conducted on December 3, 2008. **EIGHTY THOUSAND AND 00/100 DOLLARS (\$80,000.00)** was previously deposited with the Court after the Special Commissioners Hearing on this matter and will be withdrawn by the Defendant from the Registry of the Court. The remaining **TEN THOUSAND AND 00/100 DOLLARS (\$10,000.00)** is due and payable on or before December 31, 2008.

Section II. The City Manager or his designee is hereby authorized to execute any and all documents necessary to consummate the settlement.

Section III. This Resolution shall become effective immediately after its passage.

DULY PASSED AND APPROVED this the _____ day of _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/09		Reviewed by Legal	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Department:	City Manager		Initials	Date
Department Head	Frank Turner	Executive Director	<i>[Signature]</i>	1/16/09
Dept Signature:		City Manager	<i>[Signature]</i>	1/16/09
Agenda Coordinator (include phone #): Diane Zucco X7120				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input checked="" type="checkbox"/> OTHER APPROVAL OF DIRECTION				
CAPTION				
APPROVAL TO DIRECT THE PLANNING AND ZONING COMMISSION TO IDENTIFY CITY OF PLANO COMMERCIAL SIGN REGULATIONS THAT MAY UNREASONABLY RESTRICT THE USE OF CONTEMPORARY AND INNOVATIVE ADVERTISING AND MARKETING PRACTICES AND RECOMMEND POSSIBLE CHANGES TO THE REGULATIONS TO THE CITY COUNCIL NO LATER THAN MARCH 9, 2009.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(s):				
COMMENTS:				
SUMMARY OF ITEM				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		

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CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular	<input type="checkbox"/> Statutory	Reviewed by Budget <i>C.S.</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date: 1/12/2009		Reviewed by Legal <i>PM</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Department:	Finance		Initials	Date	
Department Head	Denise Tacke <i>DT</i>		Executive Director		
Dept Signature:		City Manager	<i>RC</i>	<i>1/2/09</i>	
Agenda Coordinator (include phone #):		Katherine Crumbley X7479 <i>KCV</i>			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER					
CAPTION					
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BY AND BETWEEN THE CITY OF PLANO, TEXAS AND AMERICORP, INC., DBA ALTAIR GLOBAL RELOCATION, A TEXAS CORPORATION; AUTHORIZING ITS EXECUTION BY THE CITY MANAGER OR, IN HIS ABSENCE, AN EXECUTIVE DIRECTOR; AND PROVIDING AN EFFECTIVE DATE.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR: 2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS	
Budget	0	12,391,869		12,391,869	
Amount Approved by Council	0	-119,900	-2,476,750	-2,596,650	
This Item	0	-192,000	0	-192,000	
BALANCE	0	12,079,969	-2,476,750	9,603,219	
FUND(S): ECONOMIC DEVELOPMENT INCENTIVE FUND					
COMMENTS: Strategic Plan Goal: Providing economic development incentives relates to the City's Goal of Diverse Business Center					
SUMMARY OF ITEM					
A request from Americorp, Inc., dba Altair Global Relocation for an Economic Development incentive to relocate its business and commercial activities to the City, thereby generating additional local sales tax revenues and increasing ad valorem tax sales for the City. Altair Global Relocation agrees to retain, transfer or create at least 240 full time jobs and add business personal property improvements of a taxable value not less than \$2,250,000.					
List of Supporting Documents:					
Economic Development Incentive Agreement					

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BY AND BETWEEN THE CITY OF PLANO, TEXAS AND AMERICORP, INC., DBA ALTAIR GLOBAL RELOCATION, A TEXAS CORPORATION; AUTHORIZING ITS EXECUTION BY THE CITY MANAGER OR, IN HIS ABSENCE, AN EXECUTIVE DIRECTOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council has been presented a proposed Economic Development Incentive Agreement By and Between the City of Plano, Texas and Americorp, Inc., dba Altair Global Relocation, a Texas Corporation, a Texas Corporation, a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "Agreement"); and,

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager or, in his absence, an Executive Director, shall be authorized to execute it on behalf of the City of Plano.

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

Section I. The terms and conditions of the Agreement, having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interests of the City of Plano and its citizens, are hereby in all things approved.

Section II. The City Manager, or in his absence, an Executive Director, is hereby authorized to execute the Agreement and all other documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Agreement.

Section III. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED this the 12th day of January, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT

This Economic Development Incentive Agreement ("Agreement") is made by and between the City of Plano, Texas (the "City"), and Americorp, Inc., dba Altair Global Relocation, a Texas Corporation, acting by and through its respective authorized officers and representatives.

WITNESSETH:

WHEREAS, Americorp, Inc., dba Altair Global Relocation (hereinafter referred to as the "Company") is corporate relocation company; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to relocate its business and commercial activities to the City, thereby generating additional local sales tax revenues and increasing ad valorem tax values for the City, would be an agreement by the City to provide an economic development grant to the Company; and

WHEREAS, the Company agrees to occupy not less than 50,000 square feet of office space located at One Legacy Circle, 7500 Dallas Parkway, Suite 300, Plano, Texas 75024, (the "Property"), for the full term of this Agreement; to add a minimum of Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000.00) of business personal property taxable value to the Property by January 31, 2009; to retain, transfer or create at least 200 Job Equivalents on the Property by December 31, 2009 add an additional 40 Job Equivalents on the Property by December 31, 2011; and to maintain all 240 Job Equivalents for the remainder of the term of the Agreement; and

WHEREAS, the real and business personal property improvements and the retention, creation or transfer of 240 Job Equivalents at the Property within the City will promote economic development, stimulate commercial activity and enhance the tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development; and

WHEREAS, the City is authorized by TEX. LOC. GOV'T CODE §380.001 *et seq.* to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with the terms and conditions set forth in this Agreement will further the objectives of the City, will benefit the City and the City's inhabitants and will promote local economic development and stimulate business and commercial activity in the City;

NOW THEREFORE, in consideration of the foregoing and the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the

receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows:

**Article I
Definitions**

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

"Commencement Date" shall mean the earlier of the date of occupancy of the Property by the Company or January 31, 2009, whichever occurs first.

"Effective Date" shall mean the last date on which all of the parties hereto have executed this Agreement.

"Event of Force Majeure" shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the party), fires, explosions or floods, strikes, slowdowns or work stoppages any of which event(s) directly impact the Company's operations in the City.

"Job Equivalent" shall mean one or more Company job positions located at the Property which individually or when combined total 2080 hours (inclusive of holidays, vacation and sick leave) annually.

**Article II
Term**

The term of this Agreement shall begin on the Commencement Date and continue until January 30, 2019, unless sooner terminated as provided herein.

**Article III
Obligations of Company**

In consideration for the grant of public funds as set forth in Section 4.01 below, the Company agrees to the following:

- (a) Occupy not less than 50,000 square feet of office space on the Property on or before January 31, 2009;

- (b) Add a minimum of Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000.00) of business personal property taxable value to the Property by January 31, 2009;
- (c) Retain, create or transfer 200 Job Equivalents to the Property on or before December 31, 2009;
- (d) Retain, create or transfer an additional 40 Job Equivalents on the Property on or before December 31, 2011;
- (e) Maintain all 240 Job Equivalents for the remainder of the term of this Agreement; and
- (f) Use reasonable efforts to place Company-managed hotel room nights, related to the Company's business activities, at facilities located in the City of Plano whenever practicable.

Article IV Economic Development Grant

4.01 **Grant.** The City agrees to provide the Company a one-time cash grant of One Hundred and Ninety Two Thousand Dollars (\$192,000.00) as consideration for the Company meeting its obligations as set forth in Article III, Sections (a) through (e) above. The Company agrees to maintain the Job Equivalents throughout the term of this Agreement as provided in Section 4.03 below.

4.02 **Grant Payments.** The Company may receive an initial grant payment of One Hundred and Sixty Thousand Dollars (\$160,000.00) for the first 200 Job Equivalents retained, created or transferred to the Property on or prior to December 31, 2009 within thirty (30) days after the Company verifies to the City on the Initial Certification attached hereto as Exhibit "A" that the Company has met its obligations as set forth in Article III (a) through (c) above. An additional payment of Thirty Two Thousand Dollars (\$32,000.00) shall be made to the Company upon its certification that it has met the total goal of 240 Job Equivalents by December 31, 2011.

4.03 **Refunds.**

(a) In the event the Company allows, for any 180 consecutive day period during the term of this Agreement not the result of an Event of Force Majeure, the total number of Job Equivalents at the Property to fall below the number for which it has received grant funds, the Company shall refund to the City an amount equal to Eight Hundred Dollars (\$800.00) for each lost Job Equivalent. For the purposes of determining whether the City is due a refund under this section, the Company's Chief Financial Officer shall certify to the City by January 31, 2010 and by January 31 of each year thereafter during the term of this agreement the actual number of Job Equivalents at the Property for the preceding calendar year using the Certificate Form attached as Exhibit "B". All refunds under this Agreement shall be due within 30 days of written demand for payment. Notwithstanding the foregoing, the Company shall never be required to refund to

the City, in the aggregate, any amount in excess of the total grant amount set forth in Section 4.01.

(b) In the event the Company, at any time during the term of this Agreement, is convicted of a violation under 8 U.S.C. Section 1324a(f) regarding the unlawful employment of undocumented workers, it shall reimburse the City all grant funds paid pursuant to this Agreement together with interest charged from the date of payment of the funds at the statutory rate for delinquent taxes as determined by V.T.C.A., Tax Code § 33.01, but without the addition of penalty. Repayment of grant funds and interest shall be due not later than 120 days after the date the City notifies the Company of the violation.

Article V Termination

5.01 This Agreement terminates upon any one or more of the following:

- (a) By mutual written agreement of the parties;
- (b) Upon expiration of the term of this Agreement;
- (c) By either party upon written notice to the other, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof (provided that such 30 day period shall be extended if the default is of a nature that cannot reasonably be cured within such 30 day period and further provided that the remedy is being diligently pursued); and
- (d) By either party upon written notice to the other if any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable, provided, that such termination notice shall set forth an explanation of the terminating party's basis for termination under this subsection (d).

5.02 **Effect of Termination.** The rights, responsibilities and liabilities of the parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations that accrue prior to such termination or as otherwise provided herein. All rights and obligations set forth above in this Section 5.02 shall survive the termination of this Agreement.

[Remainder of Page Intentionally Left Blank]

**Article VI
Miscellaneous**

6.01 **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties. This Agreement may not be assigned without the express written consent of the non-assigning party, except that the Company may assign this Agreement without obtaining the City's consent (a) to one of its affiliates, or (b) to any person or entity that directly or indirectly acquires, through merger, sale of stock, purchase or otherwise, all or substantially all of the assets of the Company.

6.02 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create a partnership or joint venture among the parties. Neither party shall have any authority to act on behalf of the other party under any circumstances by virtue of this Agreement.

6.03 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.04 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for the City:
City of Plano, Texas
Attention: Thomas H. Muehlenbeck
City Manager
1520 Avenue K
P.O. Box 860358
Plano, TX 75086-0358

With a copy to:
City of Plano, Texas
Attention: Diane Wetherbee
City Attorney
1520 Avenue K
P. O. Box 860358
Plano, TX 75086-0358

If intended for the Company:
Americorp, Inc., dba Altair Global Relocation
Attention: Chad Sterling, CRP
16000 Dallas Parkway, Suite 400
Dallas, TX 75248
With cc to: General Counsel

6.05 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the parties that in any manner relates to the subject matter of this Agreement.

6.06 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction. Venue for any action concerning this Agreement, the transactions contemplated hereby or the liabilities or obligations imposed hereunder shall be in the State District Court of Collin County, Texas.

6.07 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

6.08 **Legal Construction.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.09 **Recitals.** The recitals to this Agreement are incorporated herein.

6.10 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.11 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.12 **Dispute Resolution.** Any controversy or claim arising from or relating to this Agreement, or a breach thereof shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party. The parties shall endeavor to resolve their claims by mediation that, unless the parties mutually agree otherwise, shall be in accordance with the American Arbitration Association's Commercial Mediation Rules in effect at the time of mediation. Request for mediation shall be filed concurrently with the other party. Mediation shall proceed in advance of legal or equitable proceedings, which shall be stayed pending mediation for a period of sixty (60) days from the date of filing for mediation, unless stayed for a longer period of time by agreement of the parties. The parties shall share equally in the costs related to the retention of the mediator, but each side shall otherwise bear its own attorneys fees and expenses. The mediation shall be held in Collin

County, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any Court having jurisdiction thereof.

EXECUTED on this _____ day of _____, 2008.

ATTEST:

CITY OF PLANO, TEXAS, a home rule
municipal corporation

Diane Zucco, CITY SECRETARY

By: _____
Thomas H. Muehlenbeck
CITY MANAGER

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

ATTEST:

AMERICORP, INC., DBA ALTAIR
GLOBAL RELOCATION, a Texas
Corporation

By: _____
Chad Stirling, CRP
CHIEF FINANCIAL OFFICER

EXHIBIT "A"

INITIAL CERTIFICATE OF COMPLIANCE

I hereby certify that AMERICORP, INC., DBA ALTAIR GLOBAL RELOCATION has occupied not less than 50,000 square feet of office space on the Property, has hired/transferred/retained 200 Job Equivalents to the Property, and is in compliance with subsections (a) through (c) of Article III of the Agreement to Resolution No. _____(R) as of _____, and is entitled to receive payment under the terms of that Agreement.

ATTEST:

AMERICORP, INC., DBA ALTAIR
GLOBAL RELOCATION, a Texas
Corporation

By:

Chad Sterling, CRP
CHIEF FINANCIAL OFFICER

Date

NOTE:

This Certificate of Compliance should be mailed to:

City of Plano
Finance Department
P.O. Box 860358
Plano, Texas 75086-0358

EXHIBIT "B"

SUBSEQUENT CERTIFICATE OF COMPLIANCE

I hereby certify that AMERICORP, INC., DBA ALTAIR GLOBAL RELOCATION, is in compliance with each applicable term as set forth in Article III of the Agreement to Resolution No. _____(R) as of _____. The term of the Agreement is January 31, 2009 through January 30, 2019. "The number of new, transferred or retained Job Equivalents, calculated as set forth in the Agreement, and maintained pursuant to the Agreement since its inception has not fallen below _____ for more than 180 consecutive days and is _____ as of the date of this Certificate of Compliance." If the number herein reported is below the number required to be maintained pursuant the Agreement, I certify that the City of Plano has been refunded the appropriate amount as required by Section 4.03 of the Agreement. This form is due on January 31 of each year this Agreement is in force.

ATTEST:

AMERICORP, INC., DBA ALTAIR
GLOBAL RELOCATION, a Texas
Corporation

By:

Chad Sterling, CRP
CHIEF FINANCIAL OFFICER

Date

NOTE:

This Certificate of Compliance should be mailed to:

City of Plano
Finance Department
P.O. Box 860358
Plano, Texas 75086-0358



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Purchasing	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Date:	1/12/09	Reviewed by Legal <i>wh</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Sustainability & Environmental Services	Initials	Date	
Department Head	Nancy Nevil	Executive Director	<i>[Signature]</i>	1-5-09
Dept Signature:	<i>[Signature]</i>	City Manager	<i>[Signature]</i>	1/5/09
Agenda Coordinator (include phone #): Tiffany Stephens x4264				
ACTION REQUESTED: <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER				
CAPTION				
AN ORDINANCE OF THE CITY OF PLANO, TEXAS AUTHORIZING A THREE-YEAR RENEWAL OF THE PRIVATE FRANCHISE AGREEMENT BY AND BETWEEN THE CITY OF PLANO, TEXAS AND ALLIED WASTE SYSTEMS, INC. D/B/A TRINITY WASTE SERVICES, FOR COLLECTION AND DISPOSAL OF SOLID WASTE FOR COMMERCIAL CUSTOMERS LOCATED WITHIN THE CITY OF PLANO AND A NON-EXCLUSIVE PRIVATE FRANCHISE FOR COLLECTION OF RECYCLABLE MATERIALS FROM COMMERCIAL CUSTOMERS LOCATED IN THE CITY OF PLANO; AND AUTHORIZING THE CITY MANAGER, OR AN EXECUTIVE DIRECTOR IN HIS ABSENCE, TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE THIS RENEWAL; PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, A SAVINGS CLAUSE, A PENALTY CLAUSE, AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR: 2008-09	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(s):				
COMMENTS: Approval of this item will have no fiscal impact.				
SUMMARY OF ITEM				
The Sustainability & Environmental Services (SES) Department supports the second three-year extension of the existing Allied Waste Services commercial solid waste franchise agreement as written and in accordance with paragraph 4.2 "Renewal" of the agreement. Allied Waste Services has continued to build strong partnerships with individual Plano businesses, as well as the City of Plano organization. In addition, Allied Waste Services has documented their proven ability to maintain at or above a 85% Good to Excellent customer service satisfaction rating spanning the past three years, which is supported by the SES bi-annual commercial services survey. Furthermore, Allied Waste Services has always been very willing and helpful to work outside the normal standard operational protocol and above the performance requirements during special and unforeseen events. (First Reading)				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		
Letter Requesting Extension of Franchise				

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PLANO, TEXAS AUTHORIZING A THREE-YEAR RENEWAL OF THE PRIVATE FRANCHISE AGREEMENT BY AND BETWEEN THE CITY OF PLANO, TEXAS AND ALLIED WASTE SYSTEMS, INC. D/B/A TRINITY WASTE SERVICES, FOR COLLECTION AND DISPOSAL OF SOLID WASTE FOR COMMERCIAL CUSTOMERS LOCATED WITHIN THE CITY OF PLANO AND A NON-EXCLUSIVE PRIVATE FRANCHISE FOR COLLECTION OF RECYCLABLE MATERIALS FROM COMMERCIAL CUSTOMERS LOCATED IN THE CITY OF PLANO; AND AUTHORIZING THE CITY MANAGER, OR AN EXECUTIVE DIRECTOR IN HIS ABSENCE, TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE THIS RENEWAL; PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, A SAVINGS CLAUSE, A PENALTY CLAUSE, AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the collection, transportation, processing and disposal of solid waste and recyclable materials is a governmental function necessary to preserve and protect the public health, safety and general welfare; and

WHEREAS, Allied Waste Systems, Inc. d/b/a Trinity Waste Services ("Allied") has been providing solid waste collection and disposal services for the City's commercial customers since February 1, 2001, pursuant to an exclusive Private Franchise Agreement approved by the City Council through Ordinance No. 2000-8-4, a complete copy of which is on file with the City Secretary of the City of Plano (hereinafter the "Agreement") and the contract was renewed for the first three (3) year term pursuant to Ordinance No. 2006-1-24; and

WHEREAS, the original Agreement allowed for a total of two (2) additional three (3) year renewals; and

WHEREAS, the City wishes to renew and extend this Agreement for the second and final three (3) years in accordance with Section 4.2 of the Agreement; and

WHEREAS, Allied has also expressed its desire to renew and extend the Agreement by letter dated July 1, 2008, a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, pursuant to Section 10-A.02 Charter of the City of Plano, the caption of this Ordinance shall be read at two (2) separate regular meetings of the City Council and shall not be finally passed until thirty (30) days after the first reading; and this Ordinance shall not take effect until thirty (30) days after its final passage; pending such time, the caption of the Ordinance shall be published once each week for four (4) consecutive weeks in the official newspaper of the City of Plano and the expense of such publication shall be borne by the proponent of the franchise.

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

Section I. The facts, findings and recitations set out in the preamble of this Ordinance are hereby adopted and made a part of this Ordinance the same as if they were recited in full.

Section II. The City Manager, or in his absence an Executive Director, is hereby authorized to execute any and all documents necessary to renew the Private Franchise Agreement with Allied Waste Systems, Inc. for a three (3) year period, beginning February 26, 2009, substantially according to the terms and conditions set forth in the agreement.

Section III. Any provision of any Ordinance of the City of Plano, Texas, codified or uncodified, in conflict with the provisions of this Ordinance is hereby repealed, and all other provisions of the Ordinances of the City of Plano, codified or uncodified, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section IV. It is the intention of the City Council that this Ordinance, and every provision thereof, shall be considered severable and the invalidity of any section, clause or provision or part or portion of any section, clause or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

Section V. The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such Ordinance or as discontinuing abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any Ordinances at the time of passage of this Ordinance.

Section VI. Any person, firm or corporation violating or failing to comply with any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor. Upon conviction in Municipal Court, violators may be subject to a fine not to exceed the sum of **TWO THOUSAND DOLLARS (\$2,000.00)** for each offense, and each and every day such violation continues shall constitute a separate offense.

Section VII. This Ordinance shall become effective from and after its passage and publication as required by law.

PASSED AND APPROVED ON FIRST READING by the City Council of the City of Plano, Texas, this _____ day of _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

PASSED AND APPROVED ON SECOND READING by the City Council of the City of Plano, Texas, this _____ day of _____, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

DATED:

First Reading: _____, 2009

Second Reading: _____, 2009



July 1, 2008

Mr. Thomas Muehlenbeck
City Manager
City of Plano
P. O. Box 860358
Plano, TX. 75086-0358

RE: Extension to the contract

Dear Mr. Muehlenbeck:

In accordance with paragraph 4.2 of the License Agreement between the City of Plano and Allied Waste Services, I hereby request an extension of the current contract for an additional three-year period beginning February 1, 2009.

We appreciate the opportunity to have been the City's solid waste contractor and we are looking forward to a continued partnership. If you have any questions, please don't hesitate to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Reid Donaldson".

Reid Donaldson
General Manager

CC: Rod Hogan, Executive Director
Nancy Nevil, Director of Sustainability & Environmental Services
Robert Smouse, Environmental Waste Services Manager
Jim Lattimore, District Manager- DFW

DATE: December 16, 2008
TO: Honorable Mayor & City Council
FROM: Jim Norton, 1st Vice Chair, Planning & Zoning Commission
SUBJECT: Results of Planning & Zoning Commission Meeting of December 15, 2008

**AGENDA ITEM NO. 7 - PUBLIC HEARING
ZONING CASE 2008-73
APPLICANT: CITY OF PLANO**

Request to amend Subsection 3.1108 (Special Off-Street Parking Regulations) of Section 3.1100 (Off-Street Parking and Loading) of Article 3 (Supplementary Regulations) and related sections of the Zoning Ordinance regarding definitions and standards for special vehicle storage. Tabled 12/1/08.

APPROVED: 7-0 **DENIED:** _____ **TABLED:** _____

STIPULATIONS:

Approved as: (Additions are indicated by underlined text; deletions are indicated by strikethrough text.)

1. Subsection 3.1108 (4) (Special Vehicle Storage) of Section 3.1100 (Off-Street Parking and Loading) is amended to read as follows:
 - (a) A special vehicle is defined as:
 - i) Any A trailer ~~(including boats or any other item stored there on)~~ of any length designed to be towed on public streets or
 - (ii) ~~(a)~~ ~~(b)~~ any self-propelled vehicle which exceeds 22 feet in length. Self-propelled ~~V~~vehicle length shall be measured to include trailer connections and any overhang of the vehicle ~~or trailer, including the and/or any item, being carried on the trailer apparatus, or attachment affixed to the vehicle.~~
 - ~~(c)~~ ~~Storage is defined as the continuous parking of the vehicle for 48 hours or longer.~~
 - (b) ~~(d)~~ All special vehicles must ~~meet~~ conform to the following requirements:
 - (i) No special vehicle may be stored on required off-street parking.

- (ii) No part of a special vehicle may extend over a public easement or right-of-way.
- (iii) No special vehicle stored on a residential lot may be used for housekeeping, living, or sleeping quarters.
- (iv) If required, federal and state licensing and registration must be current.
- (v) All special vehicles must be maintained in an operable condition.
- (vi) Stored vehicles must be secured with wheel stops or maintained so as not to present a safety problem to the neighborhoods in which they are located.
- (vii) All special vehicles must be stored on an improved driveway or improved parking surface such as concrete, asphalt, paving stones, or brick. Gravel or crushed rock may be used in the side and rear yards but not in the front yard. The parking surface must be continuous from a driveway contiguous with and be an extension of the driveway, and the area of the parking surface shall not be less than the full dimensions of the special vehicle.
- (viii) Special vehicles must be stored behind the front building line in the side or rear yard unless the lot is served by a driveway from a public street and which is its only point of vehicular access, or the lot does not have access to a standard alley (ten-foot wide paved alley).
- ~~(ix)~~ (xii) Special vehicles stored in the side yard or rear yard behind the front building line must be screened from view from ~~adjacent lots and side streets,~~ but not alleys. In addition, these special vehicles must be screened in the front if brought onto the lot from the rear. (See Section 3.1000.)
- ~~(x)~~ (ix) Where permissible in (viii) above, only one special vehicle may be stored in the front yard, and the a special vehicle stored ~~in the front yard~~ length must be ~~parked~~ oriented perpendicular to the front property line.

(c) ~~(xi)~~ Special vehicle permit requirements:

- (i) The storage in the front yard of a any special vehicle exceeding 22 feet in length, including trailers, ~~in the front yard~~ shall require a permit issued by the city, certifying that the special vehicle will be stored in compliance with this ordinance.

(ii) For the purpose of this section, trailer length shall be measured to include trailer connections, any overhang of the trailer or any item, apparatus, or attachment carried on or affixed to the trailer.

(iii) To obtain a permit, the applicant must submit a plan of the lot illustrating how the vehicle will be stored. The permit shall specify the special vehicle to be stored and the owner of the lot. The permit is only valid for the vehicle and owner specified. Permits may be revoked if the vehicle is not stored in accordance with this ordinance.

2. Subsection 3.1108 (6) of Section 3.1100 (Off-Street Parking and Loading) shall be deleted as follows and existing standards renumbered accordingly:

~~On a residential lot all self-propelled vehicles not defined as special vehicles must be parked on an improved surface.~~

EH/et

xc: Richard Matkin, PISD
Cliff Bormann, Assistant Building Official

CITY OF PLANO
PLANNING & ZONING COMMISSION

December 15, 2008

Agenda Item No. 7

Public Hearing: Zoning Case 2008-73

Applicant: City of Plano

DESCRIPTION:

Request to amend Subsection 3.1108 (Special Off-Street Parking Regulations) of Section 3.1100 (Off-Street Parking and Loading) of Article 3 (Supplementary Regulations) and related sections of the Zoning Ordinance regarding definitions and standards for special vehicle storage. Tabled 12/01/08.

REMARKS:

This item was tabled at the December 1, 2008, Planning & Zoning Commission meeting. It must be removed from the table.

The Zoning Ordinance contains regulations for the storage of special vehicles (boats, RVs etc.) and parking location, pavement, and other standards related to special vehicle storage. Property Standards Department has encountered issues in the enforcement of these provisions in Municipal Court. Apparently, the court has found that ordinance language for the definition of a special vehicle and some of the standards are unclear and has dismissed citations.

At their meeting on October 6, 2008, the Planning & Zoning Commission called a public hearing to consider amendments to special vehicle regulations. The proposed amendments "clean up" the special vehicle storage section of the Zoning Ordinance. No substantive changes are proposed.

RECOMMENDATION:

Recommended for approval as: (Additions are indicated by underlined text; deletions are indicated by strikethrough text.)

1. Subsection 3.1108 (4) (Special Vehicle Storage) of Section 3.1100 (Off-Street Parking and Loading) is amended to read as follows:

(a) A special vehicle is defined as:

(i) Any A trailer (including boats or any other item stored there on) of any length designed to be towed on public streets or

(ii) (a) (b) any self-propelled vehicle which exceeds 22 feet in length. Self-propelled Vvehicle length shall be measured to include trailer connections and any overhang of the vehicle or trailer, including the and/or any item being carried on the trailer apparatus or attachment affixed to the vehicle.

~~(c) Storage is defined as the continuous parking of the vehicle for 48 hours or longer.~~

(b) (d) All special vehicles must meet conform to the following requirements:

(i) No special vehicle may be stored on required off-street parking.

(ii) No part of a special vehicle may extend over a public easement or right-of-way.

(iii) No special vehicle stored on a residential lot may be used for housekeeping, living, or sleeping quarters.

(iv) If required, federal and state licensing and registration must be current.

(v) All special vehicles must be maintained in an operable condition.

(vi) Stored vehicles must be secured with wheel stops or maintained so as not to present a safety problem to the neighborhoods in which they are located.

(vii) All special vehicles must be stored on an improved driveway or improved parking surface such as concrete, asphalt, paving stones, or brick. Gravel or crushed rock may be used in the side and rear yards but not in the front yard. The parking surface must be continuous from a driveway contiguous with and be an extension of the driveway, and the area of the parking surface shall not be less than the full dimensions of the special vehicle.

(viii) Special vehicles must be stored behind the front building line in the side or rear yard unless the lot is served by a driveway from a public street and which is its only point of vehicular access, or the lot does not have access to a standard alley (ten-foot wide paved alley).

~~(ix)~~ (xii) Special vehicles stored in the side yard or rear yard behind the front building line must be screened from view from adjacent lots and side streets, but not alleys. In addition, these special vehicles must be screened in the front if brought onto the lot from the rear. (See Section 3.1000.)

~~(x)~~ (ix) Where permissible in (viii) above, only one special vehicle may be stored in the front yard, and the a special vehicle stored in the front yard length must be parked oriented perpendicular to the front property line.

(c) ~~(xi)~~ Special vehicle permit requirements:

(i) The storage in the front yard of a any special vehicle exceeding 22 feet in length, including trailers, ~~in the front yard~~ shall require a permit issued by the city, certifying that the special vehicle will be stored in compliance with this ordinance.

(ii) For the purpose of this section, trailer length shall be measured to include trailer connections, any overhang of the trailer or any item, apparatus, or attachment carried on or affixed to the trailer.

(iii) To obtain a permit, the applicant must submit a plan of the lot illustrating how the vehicle will be stored. The permit shall specify the special vehicle to be stored and the owner of the lot. The permit is only valid for the vehicle and owner specified. Permits may be revoked if the vehicle is not stored in accordance with this ordinance.

2. Subsection 3.1108 (6) of Section 3.1100 (Off-Street Parking and Loading) shall be deleted as follows and existing standards renumbered accordingly:

~~(6) On a residential lot all self-propelled vehicles not defined as special vehicles must be parked on an improved surface.~~

ORDINANCE NO. _____
(Zoning Case 2008-73)

AN ORDINANCE OF THE CITY OF PLANO, TEXAS, AMENDING SUBSECTION 3.1108 (SPECIAL OFF-STREET PARKING REGULATIONS) (4) (SPECIAL VEHICLE STORAGE) AND (6) OF SECTION 3.1100 (OFF-STREET PARKING AND LOADING) OF ARTICLE 3 (SUPPLEMENTARY REGULATIONS) OF THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY, ORDINANCE NO. 2006-4-24, AS HERETOFORE AMENDED, REGARDING DEFINITIONS AND STANDARDS FOR SPECIAL VEHICLE STORAGE; AND PROVIDING A PENALTY CLAUSE, A REPEALER CLAUSE, A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, the City Secretary of Plano, Texas, directed that notices of a hearing be issued, as required by the Zoning Ordinance of the City of Plano and laws of the State of Texas, at a meeting of the City Council, to be held on the 12th day of January 2009, for the purpose of considering a change in the Zoning Ordinance; and

WHEREAS, the City Secretary of the said City accordingly caused to be issued and published the notices required by its Zoning Ordinance and laws of the State of Texas applicable thereto, the same having been published in a paper of general circulation in the City of Plano, Texas, at least fifteen (15) days prior to the time set for such hearing; and

WHEREAS, the City Council of said City, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the aforesaid change in the Zoning Ordinance, on the 12th day of January, 2009; and

WHEREAS, the City Council is of the opinion and finds that such change would not be detrimental to the public health, safety, or general welfare, and will promote the best and most orderly development of the properties affected thereby, and to be affected thereby, in the City of Plano, and as well, the owners and occupants thereof, and the City generally.

IT IS, THEREFORE, ORDAINED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:

Section I. Subsection 3.1108 (Special Off-Street Parking Regulations) (4) (Special Vehicle Storage) of Section 3.1100 (Off-Street Parking and Loading) of Article 3 (Supplementary Regulations) of the Comprehensive Zoning Ordinance No. 2006-4-24, as the same has been heretofore amended, is hereby further amended regarding definitions and standards for special vehicle storage, such subsection to read in its entirety as follows:

4. Special Vehicle Storage

- (a) A special vehicle is defined as:
- i) A trailer of any length designed to be towed on public streets or
 - (ii) any self-propelled vehicle which exceeds 22 feet in length. Self-propelled vehicle length shall be measured to include any overhang of the vehicle and/or any item, apparatus, or attachment affixed to the vehicle.
- (b) All special vehicles must conform to the following:
- (i) No special vehicle may be stored on required off-street parking.
 - (ii) No part of a special vehicle may extend over a public easement or right-of-way.
 - (iii) No special vehicle stored on a residential lot may be used for housekeeping, living, or sleeping quarters.
 - (iv) If required, federal and state licensing and registration must be current.
 - (v) All special vehicles must be maintained in an operable condition.
 - (vi) Stored vehicles must be secured with wheel stops or maintained so as not to present a safety problem to the neighborhoods in which they are located.
 - (vii) All special vehicles must be stored on an improved driveway or improved parking surface such as concrete, asphalt, paving stones, or brick. Gravel or crushed rock may be used in the side and rear yards but not in the front yard. The parking surface must be contiguous with and be an extension of the driveway, and the area of the parking surface shall not be less than the full dimensions of the special vehicle.
 - (viii) Special vehicles must be stored behind the front building line in the side or rear yard unless the lot is served by a driveway from a public street and which is its only point of vehicular access, or the lot does not have access to a standard alley (ten-foot wide paved alley).

- (ix) Special vehicles stored in the side yard or rear yard behind the front building line must be screened from view from side streets but not alleys. In addition, these special vehicles must be screened in the front if brought onto the lot from the rear. (See Section 3.1000.)
 - (x) Where permissible in (viii) above, only one special vehicle may be stored in the front yard, and the special vehicle length must be oriented perpendicular to the front property line.
- (c) Special vehicle permit requirements:
- (i) The storage in the front yard of any special vehicle exceeding 22 feet in length, including trailers, shall require a permit issued by the city certifying that the special vehicle will be stored in compliance with this ordinance.
 - (ii) For the purpose of this section, trailer length shall be measured to include trailer connections, any overhang of the trailer or any item, apparatus, or attachment carried on or affixed to the trailer.
 - (iii) To obtain a permit, the applicant must submit a plan of the lot illustrating how the vehicle will be stored. The permit shall specify the special vehicle to be stored and the owner of the lot. The permit is only valid for the vehicle and owner specified. Permits may be revoked if the vehicle is not stored in accordance with this ordinance.

Section II. Subsection 3.1108 (Special Off-Street Parking Regulations) (6) of Section 3.1100 (Off-Street Parking and Loading) of Article 3 (Supplementary Regulations) of the Comprehensive Zoning Ordinance No. 2006-4-24, as the same has been heretofore amended, is hereby further amended regarding definitions and standards for special vehicle storage, such subsection to be deleted and existing standards renumbered accordingly.

Section III. All provisions of the ordinances of the City of Plano in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Plano, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section IV. The repeal of any ordinance or part of ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any ordinance at the time of passage of this Ordinance.

Section V. Any person, firm or corporation found to be violating any term or provision of this Ordinance, shall be subject to a fine in accordance with Section 1-4(a) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

Section VI. It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable and the invalidity or partial invalidity of any section, clause or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

Section VII. This Ordinance shall become effective immediately upon its passage and publication as required by law.

PASSED AND APPROVED THIS THE 12TH DAY OF JANUARY, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:



Diane C. Wetherbee, CITY ATTORNEY

DATE: December 16, 2008
TO: Honorable Mayor & City Council
FROM: Jim Norton, 1st Vice Chair, Planning & Zoning Commission
SUBJECT: Results of Planning & Zoning Commission Meeting of December 15, 2008

**AGENDA ITEM NO. 8 - PUBLIC HEARING
ZONING CASE 2008-82
APPLICANT: CITY OF PLANO**

Request to amend Section 1.600 (Definitions) of Article 1 (General Regulations), Subsection 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses), Subsection 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) and related sections of the Zoning Ordinance regarding private club use.

APPROVED: 8-0 **DENIED:** _____ **TABLED:** _____

STIPULATIONS:

Approved as: (Additions are indicated by underlined text; deletions are indicated by strikethrough text.)

1. Amend the definition for private club in Section 1.600 (Definitions) of Article 1 (General Regulations) to read as follows:

"An establishment providing social and dining facilities, as well as alcoholic beverage service, to an association of persons, and otherwise falling within the definition of, and permitted under the provisions of, the ~~of Title 3, Chapter 32, Vernon's Texas Codes Annotated~~ Texas Alcoholic Beverage Code, as the same may be hereafter amended, and as it pertains to the operation of private clubs. (See Subsection 3.105.)
2. Amend Subsection 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses) to permit private club use by right in the Downtown Business/Government and Central Business-1 zoning districts.
3. Amend Subsection 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) to read as follows:

3.105 Private Clubs

(1) Private clubs are allowed by right in the Downtown Business/Government and Central Business-1 zoning districts. Private club uses in these districts are prohibited within 300 feet of a church or public or private school, measured as prescribed, below, except that the prohibition will not apply to a property within 300 feet of a church if the City Council affirmatively finds that the private club would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.

(2) The following standards and regulations apply to any private club use requiring a specific use permit:

(a)(1)Private clubs shall be restricted to the following use districts:

~~(a.)~~The Downtown Business/Government district

~~(i)~~b. Contiguous Regional Commercial and/or Regional Employment districts collectively comprising 30 acres or more.

~~(ii)~~e. Contiguous Retail districts collectively comprising 30 acres or more.

~~(iii)~~d. Contiguous Light Commercial districts collectively comprising 30 acres or more.

~~(iv)~~e. Contiguous Office-2 districts collectively comprising 30 acres or more.

~~(f.)~~ Contiguous Central Business-1 districts collectively comprising 30 acres or more.

~~(v)~~g. Contiguous Research/Technology Center districts collectively comprising 30 acres or more.

~~(vi)~~h. Contiguous Corridor Commercial districts collectively comprising 30 acres or more.

~~(vii)~~i. Contiguous Commercial Employment districts collectively comprising 100 acres or more.

~~(viii)~~j.The contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning which is located adjacent to U.S. Highway 75 and is not further west than 1,500 feet from the right-of-way of U.S. Highway 75, and is not further east than 1,000 feet from the right-of-way of U.S. Highway 75.

- ~~(ix)k-~~ Office-2, Retail, Light Commercial, Regional Employment, Regional Commercial, Corridor Commercial, Research/Technology Center, Light Industrial-1, or Light Industrial-2 districts when operated in conjunction with a hotel or motel or in conjunction with a regional shopping mall of not less than 750,000 square feet.
- ~~(x)l-~~ Any district when in conjunction with a country club or golf course.
- ~~(b)(2)~~ A private club shall be prohibited within 1,000 feet of the property line of any church, public or parochial school, hospital, or publicly-owned park, except that this prohibition will not apply to property located within 1,000 feet of a hospital or publicly-owned park if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood. ~~In the BG district, the minimum separation between a private club and any church or public or private school shall be 300 feet, measured as prescribed above. All other separation provisions shall be as noted above, except that the prohibition will not apply to property located within 300 feet of a church if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.~~
- ~~(c)(3)~~ A private club shall be prohibited within 300 feet of the boundary of any residentially-zoned district, except that this prohibition will not apply to property located within 300 feet of the boundary of a residentially-zoned district if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.
- ~~(d)(4)~~ All distances provided for in this section shall be determined by measurement to be made in a straight line from the front door of the premises to be permitted to the nearest boundary line of the said church, public or parochial school, hospital, publicly-owned park, or residentially-zoned district.
- ~~(e)(5)~~ The following limitations are established for the issuance of specific use permits for private clubs:
- ~~(i)(a)~~ For contiguous Retail, contiguous Office-2, contiguous Light Commercial, ~~contiguous Downtown Business/Government,~~ contiguous Corridor Commercial, Research/Technology Center, and combined zoning districts within the city but excluding (1) a hotel or motel and (2) a regional shopping mall of not less than 750,000 square feet, specific use permits may be issued in accordance with the following:

- 1.(i) No more than two specific use permits shall be issued for a tract of land which is greater than 30 acres but less than or equal to 44 acres.
 - 2.(ii) No more than three specific use permits shall be issued for a tract of land which is greater than 45 acres but less than or equal to 59 acres.
 - 3.(iii) No more than four specific use permits shall be issued for a tract of land which is greater than 60 acres but less than or equal to 74 acres.
 - 4.(iv) No more than five specific use permits shall be issued for a tract of land which is greater than 75 acres but less than or equal to 89 acres.
 - 5.(v) In areas which are 90 acres or larger, the number of specific use permits issued for private clubs shall not be limited based upon acreage.
- (ii)b. A hotel or motel shall be issued not more than one specific use permit, provided that the floor area of the restaurant need not be contiguous as long as all the floor area within the private club is situated within the same building.
 - (iii)e. For contiguous Commercial Employment districts collectively comprising 100 acres or more, a maximum of one specific use permit may be issued for each 100 acres of land.
 - (d) ~~For contiguous Central Business-1 districts collectively comprising 30 acres or more, a maximum of two specific use permits may be issued for each 30 acres of land.~~
 - (iv)e. A country club or golf course shall not be issued more than one specific use permit.
 - (v)f. For the contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning described in 2.a.viii above, there shall be no limitation on the number of private clubs which may be permitted.
 - (vi)g. In calculating the acreage in contiguous Retail, Office-2, Corridor Commercial, Light Commercial, Light Industrial-1, and Light Industrial-2 zoning districts outside of and adjacent to the areas described in 2.a.viii above, acreage in contiguous Retail, Office-2, Light Commercial, and Corridor Commercial zoning districts within the described adjacent area shall be included up to a maximum of 30 acres.

- (f)6. All specific use permits issued for the operation of private clubs shall be conditioned that:
- (i)a. Sixty-five percent of gross receipts be derived from the sale of food, subject to an annual audit provided at the expense of the permitted for review by the City Council.
 - (ii)b. The permitted premises contain a minimum of 80 dining seats allowing a minimum area of 12 square feet of dining area per dining chair.
- (g)e. The permittee comply with the provisions of the Alcoholic Beverage Code and receive a private club permit from the State of Texas within six months from the date of issuance of the specific use permit by the City Council, each such limitation in time being subject to review and possible extension by the City Council.
- (h)d. Such other conditions and restrictions which the City Council may determine at the time of granting the specific use permit are necessary to protect and provide for the health, safety, and general welfare of the community.
- (i)7. City Council may revoke a specific use permit granted hereunder if it finds that any of the conditions imposed at the time of granting the permit are not met or thereafter cease to exist. City Council may deny a specific use permit for the operation of a private club if it should affirmatively determine that issuance of the same would be detrimental or offensive to the neighborhood or otherwise be contrary to the health, safety, and general welfare of the city and its inhabitants.
- (j)8. All specific use permits issued for the operation of private clubs shall be further conditioned that the same may be canceled, suspended, or revoked in accordance with the provisions of Ordinance No. 79-6-10 which is incorporated herein by reference and made a part hereof for all purposes.

PJ/et

xc: Richard Matkin, PISD
Cliff Bormann, Assistant Building Official

CITY OF PLANO
PLANNING & ZONING COMMISSION

December 15, 2008

Agenda Item No. 8

Public Hearing: Zoning Case 2008-82

Applicant: City of Plano

DESCRIPTION:

Request to amend Section 1.600 (Definitions) of Article 1 (General Regulations), Subsection 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses), Subsection 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) and related sections of the Zoning Ordinance regarding private club use.

REMARKS:

At its October 27, 2008, meeting, City Council initiated the public hearing process to consider amendments to the regulations for private clubs in the Downtown Business/Government and Central Business-1 zoning districts. In 2005, Plano citizens voted to approve the sale of mixed beverages in restaurants by a food and beverage certificate holder. A food and beverage certificate holder is prohibited from deriving more than 50% of gross revenue from the sale of alcoholic beverages. However, some restaurants that are oriented to dinner and late evening service find it difficult to meet the revenue limitations imposed by the food and beverage certificate. Urban centers, such as Downtown Plano and Legacy Town Center, typically contain restaurants and entertainment venues that cater to nighttime customers. The city cannot alter the limitations of state law on food and beverage certificate holders; however, it may offer businesses an alternative licensing option by amending local regulation affecting private clubs.

This request proposes three changes to the city's regulations for private clubs. The first amendment proposes a minor change in the definition of private club use to better reflect the reference citation to state alcoholic beverage regulations. The second amendment would amend the use charts to allow private club use by right, rather than with approval of a specific use permit, within the Downtown Business/Government (BG) and Central Business-1 (CB-1) zoning districts only. The third amendment proposes to exempt private club use in the BG and CB-1 from the supplemental regulations in Section 3.105 of the Zoning Ordinance, including the requirement that food sales be a minimum of 65% of gross receipts. The 300-foot distance requirement from churches

and public and private schools presently required for private clubs in the BG district would remain in effect and would be applied to private club uses in the CB-1 zoning district. For other zoning districts, where private club use may be approved by specific use permit, no changes are proposed to the existing regulations.

RECOMMENDATION:

Recommended for approval as: (Additions are indicated by underlined text; deletions are indicated by strikethrough text.)

1. Amend the definition for private club in Section 1.600 (Definitions) of Article 1 (General Regulations) to read as follows:

“An establishment providing social and dining facilities, as well as alcoholic beverage service, to an association of persons, and otherwise falling within the definition of, and permitted under the provisions of, the ~~of Title 3, Chapter 32, Vernon’s Texas Codes Annotated~~ Texas Alcoholic Beverage Code, as the same may be hereafter amended, and as it pertains to the operation of private clubs. (See Subsection 3.105.)

2. Amend Subsection 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses) to permit private club use by right in the Downtown Business/Government and Central Business-1 zoning districts.
3. Amend Subsection 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) to read as follows:

3.105 Private Clubs

(1) Private clubs are allowed by right in the Downtown Business/Government and Central Business-1 zoning districts. Private club uses in these districts are prohibited within 300 feet of a church or public or private school, measured as prescribed, below, except that the prohibition will not apply to a property within 300 feet of a church if the City Council affirmatively finds that the private club would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.

(2) The following standards and regulations apply to any private club use except for private club uses located in the Downtown Business/Government and the Central Business-1 districts requiring a specific use permit:

~~(a)(1)~~ Private clubs shall be restricted to the following use districts:

~~(a.)~~ ~~The Downtown Business/Government district~~

~~(i)~~~~b.~~ Contiguous Regional Commercial and/or Regional Employment districts collectively comprising 30 acres or more.

~~(ii)~~~~c.~~ Contiguous Retail districts collectively comprising 30 acres or more.

~~(iii)~~~~d.~~ Contiguous Light Commercial districts collectively comprising 30 acres or more.

~~(iv)~~~~e.~~ Contiguous Office-2 districts collectively comprising 30 acres or more.

~~(f.)~~ ~~Contiguous Central Business-1 districts collectively comprising 30 acres or more.~~

~~(v)~~~~g.~~ Contiguous Research/Technology Center districts collectively comprising 30 acres or more.

~~(vi)~~~~h.~~ Contiguous Corridor Commercial districts collectively comprising 30 acres or more.

~~(vii)~~~~i.~~ Contiguous Commercial Employment districts collectively comprising 100 acres or more.

~~(viii)~~~~j.~~ The contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning which is located adjacent to U.S. Highway 75 and is not further west than 1,500 feet from the right-of-way of U.S. Highway 75, and is not further east than 1,000 feet from the right-of-way of U.S. Highway 75.

~~(ix)~~~~k.~~ Office-2, Retail, Light Commercial, Regional Employment, Regional Commercial, Corridor Commercial, Research/Technology Center, Light Industrial-1, or Light Industrial-2 districts when operated in conjunction with a hotel or motel or in conjunction with a regional shopping mall of not less than 750,000 square feet.

~~(x)~~~~l.~~ Any district when in conjunction with a country club or golf course.

~~(b)(2)~~ A private club shall be prohibited within 1,000 feet of the property line of any church, public or parochial school, hospital, or publicly-owned park, except that this prohibition will not apply to property located within 1,000 feet of a hospital or publicly-owned park if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood. ~~In the BG district, the minimum separation between a private club and any church or public or private school shall be 300 feet, measured as prescribed above. All other separation provisions shall be as noted above, except that the prohibition will not apply to property located within 300 feet of a church if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.~~

- (c)(3) A private club shall be prohibited within 300 feet of the boundary of any residentially-zoned district, except that this prohibition will not apply to property located within 300 feet of the boundary of a residentially-zoned district if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.
- (d)(4) All distances provided for in this section shall be determined by measurement to be made in a straight line from the front door of the premises to be permitted to the nearest boundary line of the said church, public or parochial school, hospital, publicly-owned park, or residentially-zoned district.
- (e)(5) The following limitations are established for the issuance of specific use permits for private clubs:
- (i)(a) For contiguous Retail, contiguous Office-2, contiguous Light Commercial, ~~contiguous Downtown Business/Government~~, contiguous Corridor Commercial, Research/Technology Center, and combined zoning districts within the city but excluding (1) a hotel or motel and (2) a regional shopping mall of not less than 750,000 square feet, specific use permits may be issued in accordance with the following:
- 1.(i) No more than two specific use permits shall be issued for a tract of land which is greater than 30 acres but less than or equal to 44 acres.
 - 2.(ii) No more than three specific use permits shall be issued for a tract of land which is greater than 45 acres but less than or equal to 59 acres.
 - 3.(iii) No more than four specific use permits shall be issued for a tract of land which is greater than 60 acres but less than or equal to 74 acres.
 - 4.(iv) No more than five specific use permits shall be issued for a tract of land which is greater than 75 acres but less than or equal to 89 acres.
 - 5.(v) In areas which are 90 acres or larger, the number of specific use permits issued for private clubs shall not be limited based upon acreage.
- (ii)b- A hotel or motel shall be issued not more than one specific use permit, provided that the floor area of the restaurant need not be contiguous as long as all the floor area within the private club is situated within the same building.
- (iii)c- For contiguous Commercial Employment districts collectively comprising 100 acres or more, a maximum of one specific use permit may be issued for each 100 acres of land.

- ~~(d)~~ For contiguous Central Business 1 districts collectively comprising 30 acres or more, a maximum of two specific use permits may be issued for each 30 acres of land.
- ~~(iv)~~e. A country club or golf course shall not be issued more than one specific use permit.
- ~~(v)~~f. For the contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning described in 2.a.viii above, there shall be no limitation on the number of private clubs which may be permitted.
- ~~(vi)~~g. In calculating the acreage in contiguous Retail, Office-2, Corridor Commercial, Light Commercial, Light Industrial-1, and Light Industrial-2 zoning districts outside of and adjacent to the areas described in 2.a.viii above, acreage in contiguous Retail, Office-2, Light Commercial, and Corridor Commercial zoning districts within the described adjacent area shall be included up to a maximum of 30 acres.
- ~~(f)~~6. All specific use permits issued for the operation of private clubs shall be conditioned that:
 - ~~(i)~~a. Sixty-five percent of gross receipts be derived from the sale of food, subject to an annual audit provided at the expense of the permitted for review by the City Council.
 - ~~(ii)~~b. The permitted premises contain a minimum of 80 dining seats allowing a minimum area of 12 square feet of dining area per dining chair.
- ~~(g)~~e. The permittee comply with the provisions of the Alcoholic Beverage Code and receive a private club permit from the State of Texas within six months from the date of issuance of the specific use permit by the City Council, each such limitation in time being subject to review and possible extension by the City Council.
- ~~(h)~~d. Such other conditions and restrictions which the City Council may determine at the time of granting the specific use permit are necessary to protect and provide for the health, safety, and general welfare of the community.
- ~~(i)~~7. City Council may revoke a specific use permit granted hereunder if it finds that any of the conditions imposed at the time of granting the permit are not met or thereafter cease to exist. City Council may deny a specific use permit for the operation of a private club if it should affirmatively determine that issuance of the same would be detrimental or offensive to the neighborhood or otherwise be contrary to the health, safety, and general welfare of the city and its inhabitants.
- ~~(j)~~8. All specific use permits issued for the operation of private clubs shall be further conditioned that the same may be canceled, suspended, or revoked in accordance with the provisions of Ordinance No. 79-6-10 which is incorporated herein by reference and made a part hereof for all purposes.

ORDINANCE NO. _____
(Zoning Case 2008-82)

AN ORDINANCE OF THE CITY OF PLANO, TEXAS, AMENDING SECTION 1.600 (DEFINITIONS) OF ARTICLE 1 (GENERAL REGULATIONS), SUBSECTION 2.502 (SCHEDULE OF PERMITTED USES) OF SECTION 2.500 (PERMITTED USES) OF ARTICLE 2 (ZONING DISTRICTS AND USES), AND SUBSECTION 3.105 (PRIVATE CLUBS) OF SECTION 3.100 (SUPPLEMENTARY REGULATIONS FOR PRINCIPAL PERMITTED USES AND SPECIFIC USES) OF ARTICLE 3 (SUPPLEMENTARY REGULATIONS) OF THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY, ORDINANCE NO. 2006-4-24, AS HERETOFORE AMENDED REGARDING PRIVATE CLUB USE; AND PROVIDING A PENALTY CLAUSE, A REPEALER CLAUSE, A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, the City Secretary of Plano, Texas, directed that notices of a hearing be issued, as required by the Zoning Ordinance of the City of Plano and laws of the State of Texas, at a meeting of the City Council, to be held on the 12th day of January, 2009, for the purpose of considering a change in the Zoning Ordinance; and

WHEREAS, the City Secretary of the said City accordingly caused to be issued and published the notices required by its Zoning Ordinance and laws of the State of Texas applicable thereto, the same having been published in a paper of general circulation in the City of Plano, Texas, at least fifteen (15) days prior to the time set for such hearing; and

WHEREAS, the City Council of said City, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the aforesaid change in the Zoning Ordinance, on the 12th day of January, 2009; and

WHEREAS, the City Council is of the opinion and finds that such change would not be detrimental to the public health, safety, or general welfare, and will promote the best and most orderly development of the properties affected thereby, and to be affected thereby, in the City of Plano, and as well, the owners and occupants thereof, and the City generally.

IT IS, THEREFORE, ORDAINED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:

Section I. Section 1.600 (Definitions) of Article 1 (General Regulations) of the Comprehensive Zoning Ordinance No. 2006-4-24, as the same has been heretofore amended regarding private club use, such definition is hereby further amended to read in its entirety as follows:

Private Club - An establishment providing social and dining facilities, as well as alcoholic beverage service, to an association of persons, and otherwise falling within the definition of, and permitted under the provisions of, the Texas Alcoholic Beverage Code, as the same may be hereafter amended, and as it pertains to the operation of private clubs. (See Subsection 3.105.)

Section II. Section 2.502 (Schedule of Permitted Uses) of Section 2.500 (Permitted Uses) of Article 2 (Zoning Districts and Uses) of the Comprehensive Zoning Ordinance No. 2006-4-24, as the same has been heretofore amended to permit private club use by right in the Downtown Business/Government and Central Business-1 zoning districts.

Section III. Section 3.105 (Private Clubs) of Section 3.100 (Supplementary Regulations for Principal Permitted Uses and Specific Uses) of Article 3 (Supplementary Regulations) of the Comprehensive Zoning Ordinance No. 2006-4-24, as the same has been heretofore amended, such subsection to read in its entirety as follows:

3.105 Private Clubs

- (1) Private clubs are allowed by right in the Downtown Business/Government and Central Business-1 zoning districts. Private club uses in these districts are prohibited within 300 feet of a church or public or private school, measured as prescribed, below, except that the prohibition will not apply to a property within 300 feet of a church if the City Council affirmatively finds that the private club would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.
- (2) The following standards and regulations apply to any private club use except for private club uses located in the Downtown Business/Government and Central Business-1 zoning districts requiring a specific use permit:
 - (a) Private clubs shall be restricted to the following use districts:
 - (i) Contiguous Regional Commercial and/or Regional Employment districts collectively comprising 30 acres or more.
 - (ii) Contiguous Retail districts collectively comprising 30 acres or more.
 - (iii) Contiguous Light Commercial districts collectively comprising 30 acres or more.
 - (iv) Contiguous Office-2 districts collectively comprising 30 acres or more.
 - (v) Contiguous Research/Technology Center districts collectively comprising 30 acres or more.
 - (vi) Contiguous Corridor Commercial districts collectively comprising 30 acres or more.

- (vii) Contiguous Commercial Employment districts collectively comprising 100 acres or more.
 - (viii) The contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning which is located adjacent to U.S. Highway 75 and is not further west than 1,500 feet from the right-of-way of U.S. Highway 75, and is not further east than 1,000 feet from the right-of-way of U.S. Highway 75.
 - (ix) Office-2, Retail, Light Commercial, Regional Employment, Regional Commercial, Corridor Commercial, Research/Technology Center, Light Industrial-1, or Light Industrial-2 districts when operated in conjunction with a hotel or motel or in conjunction with a regional shopping mall of not less than 750,000 square feet.
 - (x) Any district when in conjunction with a country club or golf course.
- (b) A private club shall be prohibited within 1,000 feet of the property line of any church, public or parochial school, hospital, or publicly-owned park, except that this prohibition will not apply to property located within 1,000 feet of a hospital or publicly-owned park if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.
- (c) A private club shall be prohibited within 300 feet of the boundary of any residentially-zoned district, except that this prohibition will not apply to property located within 300 feet of the boundary of a residentially-zoned district if the City Council affirmatively finds that issuance of the specific use permit would not be detrimental or injurious to the public health, safety, or general welfare, or otherwise offensive to the neighborhood.
- (d) All distances provided for in this section shall be determined by measurement to be made in a straight line from the front door of the premises to be permitted to the nearest boundary line of the said church, public or parochial school, hospital, publicly-owned park, or residentially-zoned district.
- (e) The following limitations are established for the issuance of specific use permits for private clubs:
- (i) For contiguous Retail, contiguous Office-2, contiguous Light Commercial, contiguous Corridor Commercial, Research/Technology Center, and combined zoning districts within the city but excluding (1) a hotel or motel and (2) a regional shopping mall of not less than 750,000 square feet, specific use permits may be issued in accordance with the following:

1. No more than two specific use permits shall be issued for a tract of land which is greater than 30 acres but less than or equal to 44 acres.
 2. No more than three specific use permits shall be issued for a tract of land which is greater than 45 acres but less than or equal to 59 acres.
 3. No more than four specific use permits shall be issued for a tract of land which is greater than 60 acres but less than or equal to 74 acres.
 4. No more than five specific use permits shall be issued for a tract of land which is greater than 75 acres but less than or equal to 89 acres.
 5. In areas which are 90 acres or larger, the number of specific use permits issued for private clubs shall not be limited based upon acreage.
- (ii) A hotel or motel shall be issued not more than one specific use permit, provided that the floor area of the restaurant need not be contiguous as long as all the floor area within the private club is situated within the same building.
 - (iii) For contiguous Commercial Employment zoning districts collectively comprising 100 acres or more, a maximum of one specific use permit may be issued for each 100 acres of land.
 - (iv) A country club or golf course shall not be issued more than one specific use permit.
 - (v) For the contiguous Light Commercial, Retail, Office-2, Light Industrial-1, Light Industrial-2, and Corridor Commercial zoning districts described in 2.a.viii above, there shall be no limitation on the number of private clubs which may be permitted.
 - (vi) In calculating the acreage in contiguous Retail, Office-2, Corridor Commercial, Light Commercial, Light Industrial-1, and Light Industrial-2 zoning districts outside of and adjacent to the areas described in 2.a.viii above, acreage in contiguous Retail, Office-2, Light Commercial, and Corridor Commercial zoning districts within the described adjacent area shall be included up to a maximum of 30 acres.
- (f) All specific use permits issued for the operation of private clubs shall be conditioned that:

- (i) Sixty-five percent of gross receipts be derived from the sale of food, subject to an annual audit provided at the expense of the permitted for review by the City Council.
- (ii) The permitted premises contain a minimum of 80 dining seats allowing a minimum area of 12 square feet of dining area per dining chair.
- (g) The permittee comply with the provisions of the Alcoholic Beverage Code and receive a private club permit from the State of Texas within six months from the date of issuance of the specific use permit by the City Council, each such limitation in time being subject to review and possible extension by the City Council.
- (h) Such other conditions and restrictions which the City Council may determine at the time of granting the specific use permit are necessary to protect and provide for the health, safety, and general welfare of the community.
- (i) City Council may revoke a specific use permit granted hereunder if it finds that any of the conditions imposed at the time of granting the permit are not met or thereafter cease to exist. City Council may deny a specific use permit for the operation of a private club if it should affirmatively determine that issuance of the same would be detrimental or offensive to the neighborhood or otherwise be contrary to the health, safety, and general welfare of the city and its inhabitants.
- (j) All specific use permits issued for the operation of private clubs shall be further conditioned that the same may be canceled, suspended, or revoked in accordance with the provisions of Ordinance No. 79-6-10 which is incorporated herein by reference and made a part hereof for all purposes.

Section IV. All provisions of the ordinances of the City of Plano in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Plano, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section V. The repeal of any ordinance or part of ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any ordinance at the time of passage of this Ordinance.

Section VI. Any person, firm or corporation found to be violating any term or provision of this Ordinance, shall be subject to a fine in accordance with Section 1-4(a) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

Section VII. It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable and the invalidity or partial invalidity of any section, clause or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

Section VIII. This Ordinance shall become effective immediately upon its passage and publication as required by law.

PASSED AND APPROVED THIS THE 12TH DAY OF JANUARY, 2009.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:



Diane C. Wetherbee, CITY ATTORNEY