



**NOTICE OF MEETING
OF THE
GOVERNING BODY OF
COPPERAS COVE, TEXAS**

*An agenda information packet is available for public inspection
in the Copperas Cove Public Library, City Hall and
on the City's Web Page, www.ci.copperas-cove.tx.us*

Notice is hereby given that a **Regular Council Meeting** of the City of Copperas Cove, Texas, will be held on the **1st day of April 2008 at 7:00 p.m.** in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522, at which time the following subjects will be discussed:

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. ANNOUNCEMENTS

E. PUBLIC RECOGNITION

1. Proclamation: Sexual Assault Awareness Month, April 2008. **Robert L. Reeves, Mayor Pro Tem**
2. Proclamation: Child Abuse Prevention Month, April 2008. **Robert L. Reeves, Mayor Pro Tem**
3. Proclamation: Coryell County Crime Victims' Rights Week, April 13-19, 2008. **Robert L. Reeves, Mayor Pro Tem**
4. Proclamation: National Library Week, April 13-19, 2008. **Robert L. Reeves, Mayor Pro Tem**

F. CITIZENS FORUM At this time, citizens will be allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

- G. CONSENT AGENDA** All matters listed under this item are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

None.

H. PUBLIC HEARINGS/ACTION

1. Public hearing, consideration and action regarding Ordinance No. 2008-06, annexing the remaining portion of the proposed subdivision of The Valley at Great Hills, consisting of 267.088 acres. **Scott Wallace, Interim City Planner**

I. ACTION ITEMS

1. Consideration and action on appointment of one (1) new member to the Keep Copperas Cove Beautiful Commission. **Silvia Rhoads, Executive Director, Keep Copperas Cove Beautiful**
2. Consider and take action on Ordinance No. 2008-12 of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, Limited Tax Notes, Series 2008, in the aggregate principal amount of \$2,855,000; awarding the sale of said notes; levying a tax in payment thereof; prescribing the form of said notes; and enacting other provisions relating to the subject. **Wanda Bunting, Director of Financial Services**
3. Consideration and action on Ordinance No. 2008-09, amending Personnel Policy No. 311 – Vacation Leave, No. 313 – Sick Leave, No. 312 – Holidays, and No. 135, Overtime and Compensatory Time. **Kelli Sames, Human Resources Director**
4. Consideration and action on Ordinance No. 2008-11, amending Personnel Policy No. 120, Salary Program Administration. **Kelli Sames, Human Resources Director**

J. STAFF REPORTS

1. Financial Report for the Month ended February 29, 2008. **Wanda Bunting, Director of Financial Services**
2. Fire Department 2008 Annual Report. **Dennis Haas, Fire Chief**

K. REPORTS OF ADVISORY COMMITTEES AND BOARDS – None.

L. ITEMS FOR FUTURE AGENDAS

M. EXECUTIVE SESSION

1. Pursuant to §551.074 of the Open Meetings Act. *Tex. Gov't Code*, Council will meet in Executive Session to discuss the evaluation of the City Manager.

N. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

O. ADJOURNMENT

The City Council reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 547-5116 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted on or before 5:00 p.m., March 27, 2008 on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

Jane Lees, City Secretary



**NOTICE OF WORKSHOP
OF THE
GOVERNING BODY OF
COPPERAS COVE, TEXAS**

*An agenda information packet is available for
public inspection in the Copperas Cove Public Library, City Hall and on the
City's Web Page www.ci.copperas-cove.tx.us*

Notice is hereby given that a **Workshop** of the City of Copperas Cove, Texas will be held on the **1st day of April 2008**, at **6:00 p.m.**, in the City Hall Council Chambers at 507 South Main Street, Copperas Cove, Texas 76522 at which time the following subjects will be discussed:

A. CALL TO ORDER

B. ROLL CALL

C. WORKSHOP ITEMS

1. Presentation and discussion on the solid waste ordinance rewrite. **Mike Mundell, Solid Waste Superintendent**

D. ADJOURNMENT

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221, (254) 547-6063 TTY, or FAX (254) 547-5116 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the City of Copperas Cove was posted on or before 5:00 p.m., March 27, 2008 on the glass front door of City Hall, a place convenient and readily accessible to the general public at all times.

Jane Lees, CMC, City Secretary



PROCLAMATION

- WHEREAS,** Non-stranger and stranger rape and sexual assault affect women, children and men of all racial, cultural and economic backgrounds; and
- WHEREAS,** The Department of Justice reports that a sexual assault occurs every 90 seconds; and
- WHEREAS,** It is estimated by the Bureau of Justice Statistics that over 70% of rapes are never reported to police; and
- WHEREAS,** In addition to the immediate physical and emotional costs, sexual assault may also have associated consequences of post-traumatic stress disorder, substance abuse, major depression, homelessness, eating disorders, and suicide; and
- WHEREAS,** State coalitions and local rape crisis centers across the nation are committed to increasing public awareness of sexual violence and its prevalence, and to eliminating it through education; and
- WHEREAS,** The Centers of Disease Control and Prevention have identified sexual assault as a significant, costly, and preventable health issue; and
- WHEREAS,** The U.S. government has expressed a commitment to eliminating sexual violence in society with various legislative actions and appropriations; *therefore be it*
- RESOLVED,** that individual and collective efforts reflect our dream for a nation where no sexual assault victim goes un-served or ever feels there is no path to justice, and where citizens work toward eliminating all forms of sexual violence; and *be it further*
- RESOLVED,** That the United States government expresses its commitment to eliminating sexual violence from society by acknowledging the work of organizations and individuals across the nation, and by designating the month of April as

“National Sexual Assault Awareness Month”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Copperas Cove to be affixed this 1st day of April 2008.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary



PROCLAMATION

WHEREAS, Child abuse is a serious and growing problem affecting more than 3.25 million of our nation's children annually and a growing number of children locally, and

WHEREAS, This societal malignancy called child abuse respects no racial, religious, class or geographic boundaries, and, in fact, has been declared a national emergency, and

WHEREAS, The Exchange Clubs of Copperas Cove, through their support of parent aide programs, parenting classes, educational programs and community service activities, is making significant progress in stopping this crime against families and children.

NOW THEREFORE, I, Robert L. Reeves, Mayor Pro Tem of the City of Copperas Cove, Texas, do hereby proclaim that the month of April shall be observed as

“Child Abuse Prevention Month”

in Copperas Cove, Texas and urge all citizens to use this time to better understand, recognize and respond to this grievous problem.

And further, I congratulate the Exchange Clubs of Copperas Cove for their continued success in helping families break free from the cycle of child abuse.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Copperas Cove to be affixed this 1st day of April 2008.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary



PROCLAMATION

- WHEREAS,** 23 Million Americans are victims of crime each year, and of those, 5.2 million are victims of violent crimes
- WHEREAS,** A just society acknowledges crime’s impact individuals, families, and communities by ensuring that rights, resources, and services are available to help rebuild lives;
- WHEREAS,** Victim’s rights are a critical component of the promise of “justice for all,” the foundation for our system of justice in America;
- WHEREAS,** Although our nation has steadily expanded rights, protections, and services for victims of crime, too many victims are still not able to realize the hope and promise of these gains;
- WHEREAS,** We must do better to ensure services are available for underserved segments of our population, including crime victims with disabilities, victims with mental illness, victims who are teenagers, victims who are elderly, victims in rural areas, and victims in communities of color; and
- WHEREAS,** Observing victims rights and treating victims with dignity and respect serves the public interest by engaging victims in the justice system, inspiring respect for public authorities, and promoting confidence in public safety; and
- WHEREAS,** Our nation must strive to protect, expand, and observe crime victims’ rights so that there truly is *justice for victims and justice for all*; and
- WHEREAS,** National Crime Victims’ Rights Week-April 13-19, 2008-provides an opportunity for us to strive to reach the goal of justice for all by ensuring that all victims are afforded their legal rights and provided with assistance as they face the financial, physical, and psychological impact of crime, and
- WHEREAS,** Victims of crime across America need and deserve support and assistance to help them cope with the consequences of crime; and
- WHEREAS,** Coryell County Crime Victims’ Office is joining forces with victim service programs, criminal justice officials, and concerned citizens throughout Coryell County and America to raise awareness about victims’ rights and observe the 28th National Crime Victims’ Rights Week;

NOW THEREFORE, I, Robert L. Reeves, Mayor Pro Tem of the City of Copperas Cove, Texas, do hereby proclaim the week of April 13 - 19, 2008 to be

“Coryell County Crime Victims’ Rights Week”

and honor crime victims and those who serve them during this week and throughout the year.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Copperas Cove to be affixed this 1st day of April, 2008.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary



PROCLAMATION

WHEREAS, The American Library Association and the American Book Publisher's Council formed the National Book Committee in 1954 to encourage reading and to keep books free and widely available; and

WHEREAS, The National Book Committee organized the first National Library Week in the United States of America during the week of March 16 – 22, 1958; and

WHEREAS, The American Library Association Council voted in 1959 to continue observing National Library Week in April of each year; and

WHEREAS, The American Library Association has designated the week of April 13 – 19 as National Library Week 2008; and

WHEREAS, Free libraries continue to provide invaluable educational, cultural and entertainment resources for their communities; and

WHEREAS, The City of Copperas Cove has demonstrated its commitment to library excellence by its support for the public library in Copperas Cove.

NOW THEREFORE, I, Robert L. Reeves, Mayor Pro Tem of the City of Copperas Cove, Texas, do hereby proclaim the week of April 13 – 19, 2008 as:

“National Library Week”

in the City of Copperas Cove, and urge all citizens to visit the library to become better acquainted with the services offered by libraries and the contributions which they have made to American life.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Copperas Cove to be affixed this 1st day of April 2008.

Robert L. Reeves, Mayor Pro Tem

Attest: _____
Jane Lees, City Secretary

ORDINANCE NO. 2008-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, ANNEXING A PORTION OF THE VALLEY AT GREAT HILLS CONSISTING OF 267.088 ACRES (SEE EXHIBIT A) TO THE CITY OF COPPERAS COVE, TEXAS, AND EXTENDING THE BOUNDARY OF SAID CITY SO AS TO INCLUDE THIS TRACT WITHIN THE CITY LIMITS, AND GRANTING TO SAID TERRITORY AND TO ALL FUTURE INHABITANTS OF SAID PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID FUTURE INHABITANTS BY ALL OF THE ACTS AND ORDINANCES OF THE SAID CITY; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Copperas Cove is authorized to annex territory in accordance with V.T.C.A. Local Government Code, Section 43.021 and its home-rule charter by statute; and

WHEREAS, the owners of said tract have petitioned the City to extend its corporate boundary to include said tract and the City Council has granted such petition; and

WHEREAS, said tract proposed to be annexed is within the City's extraterritorial jurisdiction and is contiguous to the City; and

WHEREAS, after hearing public arguments for and against the same, the City Council has voted to annex said tract into the City under the authority of Section 43-021 and Section 43-028 of the Local Government Code.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

That the 267.088 acre tract described in the attached "Exhibit A" and described as a portion of the proposed The Valley at Great Hills Subdivision is hereby annexed into the City and that the boundary limits of the City are hereby extended to include said tract within the City Limits.

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the city as a whole or any part thereof, other than the part so declared to be invalid.

That the City Secretary is hereby directed to file with the County Clerk and other

appropriate officials and agencies, as required by state and federal law and city annexation procedures, a certified copy of this ordinance.

That this ordinance shall become effective upon passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, this 1st day of April 2008; such meeting was held in compliance with the Open Meetings Act (Government Code, Article 551.001 et seq.), at which meeting a quorum was present and voting.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary

APPROVED AS TO FORM:

James R. Thompson, City Attorney

4 JC Partners LP
1406 South FM 116 Suite C
Copperas Cove TX 76522
254-547-3821

March 19, 2008

City of Copperas Cove
507 South Main Street
Copperas Cove, Texas 76522

Attention: Scott Wallace
Interim City Planner

Reference: Proposed Valley at Great Hills
Voluntary Annexation Petition

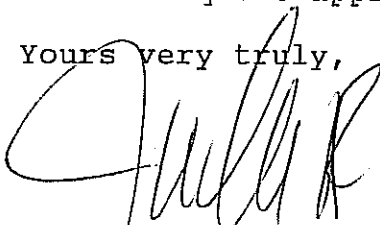
Greetings:

4 JC Partners LP hereby requests Voluntary Annexation of the referenced subdivision property beyond the acreage in Phase I which was previously annexed under our earlier request. This request places the entire parcel within the Corporate Limits of City of Copperas Cove for our further planned development.

Field Notes are attached hereto and are a part of this annexation petition.

We appreciate the City Council's consideration of this petition and subsequent approval and annexation by ordinance.

Yours very truly,



James W. Clark II,
4 JC Partners LP

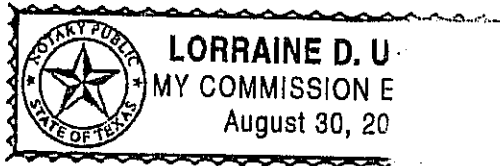
ACKNOWLEDGEMENT

State of Texas
County of Coryell

Before me, the undersigned, a Notary Public, on this day personally appeared JAMES W. CLARK II known to me to be the person whose name is subscribed to the forgoing instrument, and acknowledged to me that he executed same for the purpose and consideration therein expressed, and in the capacity therein stated. Given under my hand and seal of office on this 25th day of MARCH, 2008.

Notary Public, State of Texas
My Commission Expires _____

Lorraine D. Uphill



ANNEXATION TRACT

BEING a 267.088 acre tract of land being comprised of 128.837 acres in the G. PRICE SURVEY, ABSTRACT No. 563, 38.531 acres in the EVA ALLEN SURVEY, ABSTRACT No. 1454 and 99.720 acres in the H.T. & B.R.R. Co. Survey No. 9, Block 2, ABSTRACT No. 386, all in Lampasas County, Texas and being a part or portion of that certain 375.538 acre tract of land described in a Special Warranty Deed with Vendor's Lien dated June 7, 2005 from J. C. Walker, Betty Sue Walker Davis, and Gladys Marie Walker Love to Wrangler Estates, Inc. and being of record in Volume 409, Page 824, Deed Records of Lampasas County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron rod with cap stamped "RPLS #2475" found at a fence corner post being in the east boundary line Cheyenne Mountain Estates, First Unit, an addition in Lampasas County, Texas according to the map or plat of record in Cabinet 1, Slide 101, Plat Records of Lampasas County, Texas and being in the south right-of-way line of U. S. Highway No. 190 as described as a 3.17 acre tract of land (PARCEL No. 46) in a Deed dated April 15, 1980 from Ruth Lindsey Walker to the State of Texas and being of record in Volume 197, Page 773, Deed Records of Lampasas County, Texas and being the northwest corner of the said 375.538 acre tract for corner;

THENCE N. 61° 58' 00" E., 74.24 feet departing the said Cheyenne Mountain Estates, First Unit and with the said south right-of-way line and with the north boundary line of the said 375.538 acre tract to a point being in the westerly City Limit Line of the City of Copperas Cove, Texas as described by field note description in City of Copperas Cove Ordinance No. 1997-23 dated July 15, 1997 for corner;

THENCE departing the said south right-of-way line and the said north boundary line and over and across the said 375.538 acre tract and with the said City Limit Line of the City of Copperas Cove as described in said Ordinance No. 1997-23 the following five (5) calls:

- 1) S. 21° 05' 00" E., 749.85 feet to a point for corner;
- 2) N. 61° 58' 35" E., 126.38 feet to a point for corner;
- 3) N. 61° 58' 00" E., 1211.37 feet to a point for corner;
- 4) N. 80° 03' 00" E., 918.21 feet to a point for corner;
- 5) N. 87° 05' 05" E., 341.37 feet to a point being in the west boundary line of the City Limit Line of the City of Copperas Cove as described in City of Copperas Cove Ordinance No. 2006-36 dated September 19, 2006 for corner;

THENCE departing the said City of Copperas Cove Limit Line described in Ordinance No. 1997-23 and with the said City of Copperas Cove Limit Line described in Ordinance



No. 2006-36 and continuing over and across the said 375.538 acre tract the following twenty-three (23) calls:

- 1) S. 27° 15' 49" W., 262.07 feet to a point for corner;
- 2) S. 62° 44' 11" E., 273.72 feet to a point for corner;
- 3) S. 55° 56' 11" E., 76.83 feet to a point for corner;
- 4) S. 25° 40' 22" E., 61.43 feet to a point for corner;
- 5) S. 03° 35' 26" W., 61.47 feet to a point for corner;
- 6) S. 21° 23' 29" W., 219.63 feet to a point for corner;
- 7) S. 68° 36' 31" E., 125.00 feet to a point for corner;
- 8) S. 21° 23' 29" W., 23.20 feet to a point for corner;
- 9) S. 68° 36' 31" E., 179.00 feet to a point for corner;
- 10) N. 21° 23' 29" E., 4.69 feet to a point for corner;
- 11) S. 68° 36' 31" E., 179.00 feet to a point for corner;
- 12) N. 21° 23' 29" E., 37.91 feet to a point for corner;
- 13) S. 68° 36' 31" E., 125.00 feet to a point for corner;
- 14) S. 21° 23' 29" W., 35.03 feet to a point for corner;
- 15) S. 68° 36' 31" E., 125.00 feet to a point for corner;
- 16) S. 21° 23' 29" W., 3.50 feet to a point for corner;
- 17) S. 68° 36' 31" E., 185.00 feet to a point for corner;
- 18) N. 21° 23' 29" E., 214.75 feet to a point for corner;
- 19) S. 68° 36' 31" E., 179.00 feet to a point for corner;
- 20) N. 21° 23' 29" E., 90.57 feet to a point for corner;
- 21) S. 68° 36' 31" E., 125.00 feet to a point for corner;
- 22) S. 21° 23' 29" W., 58.15 feet to a point for corner;



- 23) N. 70° 23' 07" E., 425.18 feet to a point being in the west boundary line of that certain 14.89 acre tract of land described in a Warranty Deed with Vendor's Lien dated March 23, 1998 from Don Richters and Margaret Richters to Pedro L. Martinez dba MTZ Computers and being of record in Volume 339, Page 259, Deed Records of Lampasas County, Texas and being in the east boundary line of the said 375.538 acre tract for corner;

THENCE departing the said City of Copperas Cove Limit Line and with the east and south boundary lines of the said 375.538 acre tract the following eight (8) calls:

- 1) S. 19° 36' 53" E., 36.27 feet with the said west boundary line to a ½" iron rod with cap stamped "RPLS #2475" found at a fence corner post being the apparent southwest corner of the said 14.89 acre tract and being an ell corner in the north boundary line of those certain tracts as referenced in a General Warranty Deed dated July 3, 2002 from Eris Smart Mangrem; Harold Smart, Clyde Smart and Faye Smart Crooks to Sue Smart and being of record in Volume 379, Page 442, Deed Records of Lampasas County, Texas for corner;
- 2) S. 20° 51' 46" E., 1502.45 feet departing the said 14.89 acre tract and with the said north boundary line to a ½" iron rod with cap stamped "RPLS #2475" found at a fence corner post being an interior ell corner in the said north boundary line and being the southeast corner of the said 375.538 acre tract for corner;
- 3) S. 68° 28' 47" W., 817.76 feet continuing with the said north boundary line to a fence post for corner;
- 4) S. 70° 32' 59" W., 818.35 feet continuing with the said north boundary line to a fence post for corner;
- 5) S. 68° 38' 07" W., 974.14 feet continuing with the said north boundary line to a ½" iron rod found at a fence corner post for corner;
- 6) N. 21° 36' 31" W., 315.14 feet continuing with the said north boundary line to a ½" iron rod found at a fence corner post for corner;
- 7) S. 71° 57' 32" W., 1699.90 feet continuing with the said north boundary line to a fence corner post found being the apparent northwest corner of the said Smart tracts and being the apparent northeast corner of that certain tract of land described as Indian Valley, an addition in Lampasas County, Texas according to the map or plat of record in Cabinet 1, Slide 103, Plat Records of Lampasas County, Texas for corner
- 8) S. 68° 04' 44" W., 914.25 feet departing the said Smart tracts and with the north boundary line of the said Indian Valley to a ½" iron rod found being a corner of said Cheyenne Mountain Estates, First Unit and being the southwest corner of the said 375.538 acre tract for corner;



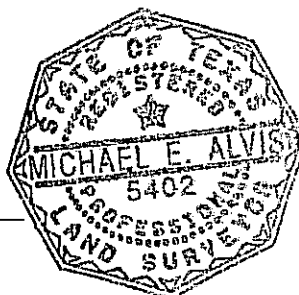
THENCE departing the said Indian Valley and with the east boundary line of the said Cheyenne Mountain Estates, First Unit and the west boundary line of the said 375.538 acre tract the following four (4) calls:

- 1) N. 00° 47' 12" E., 898.46 feet to a 100d nail found for corner;
- 2) N. 00° 36' 02" E., 928.27 feet to a ½" iron rod with cap stamped "RPLS #2475" found at a fence corner post for corner;
- 3) N. 25° 39' 11" E., 795.36 feet to a 1 ½" iron pipe found for corner;
- 4) N. 20° 46" 42" W., 1144.41 feet to the Point of BEGINNING and containing 267.088 acres of land.

This document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



Michael E. Alvis, R.P.L.S. #5402
March 24, 2008



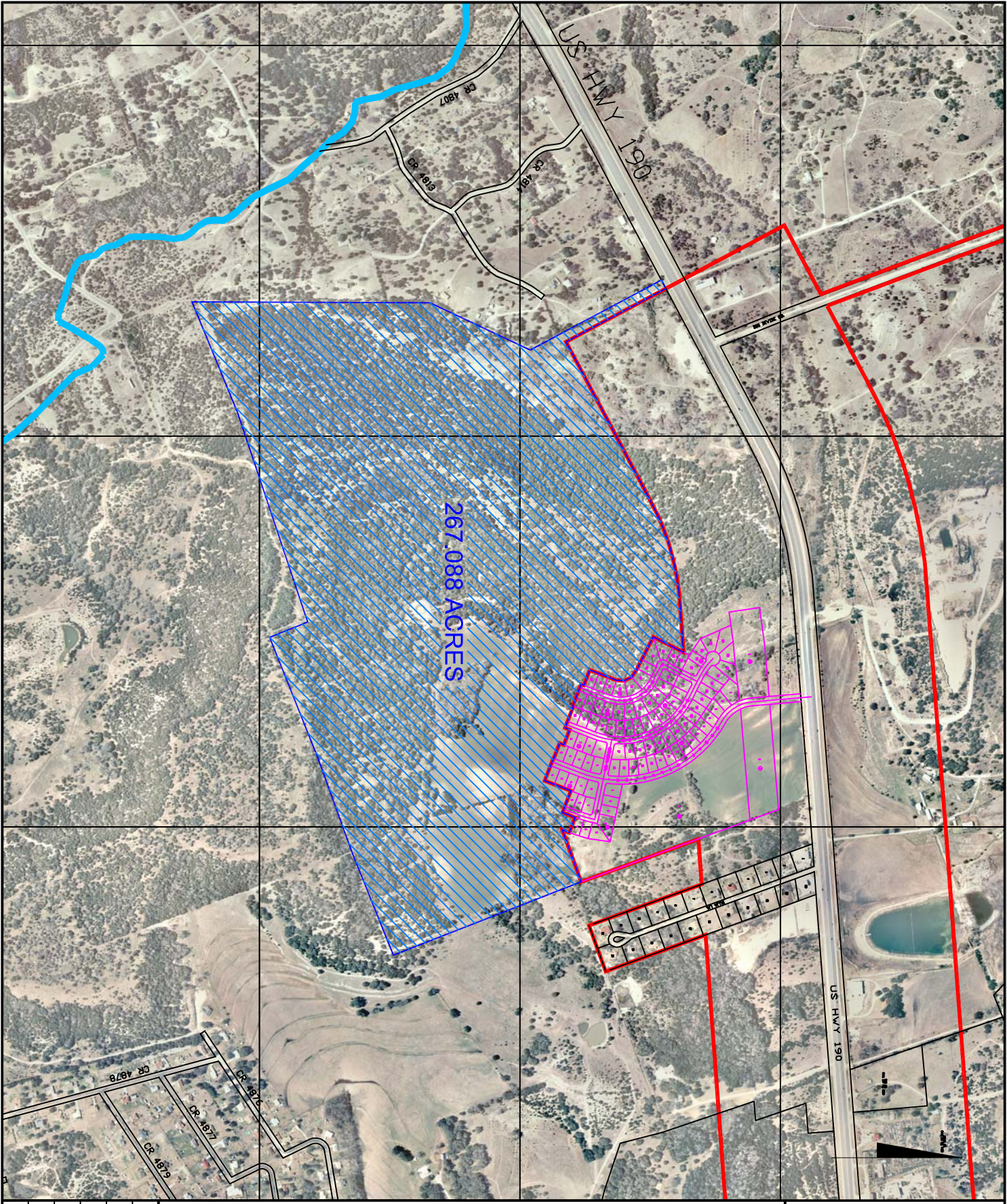
Bearing Base: N. 19° 36' 53" W., 1921.67 feet east boundary line 375.538 acre tract Volume 409, Page 824, Deed Records of Lampasas County, Texas.

See attached surveyors sketch, which accompanies this set of field notes (ref: drawing no.11451-D)



TURLEY ASSOCIATES, INC.

ENGINEERING • PLANNING • SURVEYING • DESIGN/BUILDING
301 NORTH 3RD STREET • TEMPLE, TEXAS 76501 • (254) 773-2400



267.088 ACRES

PROPOSED ANNEXATION TRACT

AERIAL/VICINITY MAP

DATE:	March 26, 2008
REVISION:	NA
SCALE:	1" = 1000'
DESIGNED BY:	City of Copperas Cove, TX
DRAWING FILE:	Wandler-Annexation.pdf
SHEET:	1 of 1

CITY OF COPPERAS COVE



507 SOUTH MAIN STREET
 COPPERAS COVE, TX 76522
 PH: (254) 547-4221
 FAX: (254) 547-4301

City of Copperas Cove City Council Agenda Item Report

April 1, 2008

Agenda Item No. H-1

Contact – Scott Wallace – Interim City Planner 547-4221

swallace@ci.copperas-cove.tx.us

SUBJECT: Public hearing, consideration and action regarding Ordinance No. 2008-06, annexing the remaining portion of the proposed subdivision of The Valley at Great Hills, consisting of 267.088 acres.

1. Background/History

4JC Partners LP has petitioned the City Council to annex the remaining portion of the proposed subdivision known as The Valley at Great Hills consisting of 267.088 acres. The subdivision is located along the south side of U.S. Highway 190 just west of Suja Lane. Phase I of this subdivision, consisting of 34.226 acres, was annexed into the City in September of 2006.

Section 43.028 of the Local Government Code provides for this type of annexation by petition of the property owner(s). The process is (1) City Council shall hear the petition and the arguments for and against the annexation; (2) City Council takes action by granting or refusing the petition; and (3) if granted, the City Council may, by ordinance, annex the property.

2. FINDINGS/CURRENT ACTIVITY

The appropriate petition for voluntary annexation has been received. The City Council may now hear the petition and the arguments for or against the annexation. If the petition is granted, the ordinance, if approved, will join the City Limits of Copperas Cove to include the described property.

3. FINANCIAL IMPACT

The voluntary annexation will allow City Staff to proceed with ongoing negotiations regarding the development of this property and the creation of a Tax Increment Reinvestment Zone.

4. ACTION OPTIONS/RECOMMENDATION

City Staff recommends that the City Council grant the petition and approve Ordinance No. 2008-06.

Appointment Resource Form For Volunteers
(Boards, Commissions & Committees)

Name Stephan Gaeth Date 3/10/2008
Address 803 Highway Dr. 75542 Copperas Cove tx
Home Phone (254) 238-7521 Office Phone _____ Mobile Phone (254) 371-7712
Fax _____ E-mail purpleman.cater.2000@yahoo.com
Occupation High school student (sr.)
Volunteer/Community Service 7 hours at Halloween oak tree flight trail
Performed at Capital One Bowl half time show ESP Show
Professional Affiliations Dance Centre, Copperettes, French club, Drama Club
Dock club
Areas of Interest "Green" energy sources, recycling, mobility issues,
Education Jr year High school

I would like to be considered for the following:

- | | |
|--|---|
| <input type="checkbox"/> Planning and Zoning Commission | <input type="checkbox"/> Animal Control Advisory Committee |
| <input type="checkbox"/> Board of Adjustment | <input type="checkbox"/> Housing Authority |
| <input type="checkbox"/> Library Advisory Board | <input type="checkbox"/> Hospital Authority |
| <input type="checkbox"/> Fact Finding and Advisory Committee | <input type="checkbox"/> Economic Development Corporation |
| <input type="checkbox"/> Election Judge/Election Clerk/Alternate | <input checked="" type="checkbox"/> Keep Copperas Cove Beautiful Commission |
| <input type="checkbox"/> Other _____ | |

Please return this form along with a resume to:

Jane Lees, CMC, City Secretary, City of Copperas Cove, P.O. Drawer 1449, 507 South Main Street, Copperas Cove TX 76522
Phone: 254-547-4221 - Fax: 254-547-5116 - jlees@ci.copperas-cove.tx.us

City of Copperas Cove City Council Agenda Item Report

APRIL 1, 2008

Agenda Item No. I-1

Contact – Silvia Rhoads, Executive Director, Keep Copperas Cove Beautiful, 547-4242
srhoads@ci.copperas-cove.tx.us

SUBJECT: Consideration and action on appointment of one (1) new member to the Keep Copperas Cove Beautiful Commission.

1. Background/History

During a regular council meeting on September 17, 2002, Ordinance 2002-20 was approved allowing the formation of the Keep Copperas Cove Beautiful (KCCB) Commission. This Commission allows for 15 members to be nominated and approved by the City Council. According to KCCB By-laws, eight members of the Commission originally appointed shall be for a term of one (1) year. Seven members of the Commission originally appointed shall be for a term of two (2) years. Thereafter, the term of each Commission member shall be two (2) years.

2. FINDINGS/CURRENT ACTIVITY

During the regular city council meeting on December 11, 2007, one position was successfully filled bringing the total on the commission to 13. The KCCB Commission is seeking to fill another position. After council approval on the member, a total of one position remains vacant.

The following individual is seeking appointment to the Keep Copperas Cove Beautiful Commission: Mr. Stephan Gaeth

An application and resume is attached for review. Stephan is a Junior in High School. KCCB continues to seek out High School students to join our Commission. Keep Copperas Cove Beautiful will continue to seek out new members to fill the remaining one position.

3. FINANCIAL IMPACT

None.

4. ACTION OPTIONS/RECOMMENDATION

City Staff recommends that the City Council appoint the following one (1) individual to the Keep Copperas Cove Beautiful Commission: Mr. Stephan Gaeth

ORDINANCE NO. 2008-12

AUTHORIZING THE ISSUANCE OF

\$2,855,000
CITY OF COPPERAS COVE, TEXAS
LIMITED TAX NOTES
SERIES 2008

Adopted: April 1, 2008

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ORDINANCE NO. 2008-12

AN ORDINANCE OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF COPPERAS COVE, TEXAS, LIMITED TAX NOTES, SERIES 2008, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,855,000; AWARDING THE SALE OF SAID NOTES; LEVYING A TAX IN PAYMENT THEREOF; PRESCRIBING THE FORM OF SAID NOTES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, pursuant to Chapter 1431, Texas Government Code (the "Act"), the governing body of a municipality is authorized to issue the notes hereinafter authorized (the "Notes") to pay contractual obligations incurred or to be incurred for the purposes set forth in Section 3.01 hereof; and

WHEREAS, this governing body (the "City Council") of the City of Copperas Cove, Texas (the "City"), hereby finds and determines that it is necessary and in the best interest of the City and its citizens to issue such Notes for the purposes herein described and that such Notes shall be payable from and secured by ad valorem taxes levied, within the limits prescribed by law, on all taxable property within the City; and

WHEREAS, the Notes hereinafter authorized shall mature before the seventh anniversary of the date that the Attorney General of the State of Texas approves the Notes, as required by the Act; and

WHEREAS, it is affirmatively found that this City Council is authorized to proceed with the issuance and sale of such Notes as authorized by the Constitution and laws of the State of Texas, particularly the Act; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance and delivery of its Notes in a single series at this time; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended; Now Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

“Note” means any of the Notes.

“Notes” means the City’s notes entitled “City of Copperas Cove, Texas, Limited Tax Notes, Series 2008” authorized to be issued by Section 3.01.

“Closing Date” means the date of the initial delivery of and payment for the Notes.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

“Construction Fund” means the construction fund established by Section 8.01(a).

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Houston, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“Event of Default” means any Event of Default as defined in Section 10.01.

“Initial Note” means the Note described in Section 3.04(d) and 6.02(d).

“Interest and Sinking Fund” means the interest and sinking fund established by Section 8.01(a).

“Interest Payment Date” means the date or dates upon which interest on the Notes is scheduled to be paid until the maturity of the Notes, such dates being February 15 and August 15 of each year commencing February 15, 2009.

“Ordinance” means this Ordinance.

“Original Issue Date” means the Closing Date.

“Owner” means the person who is the registered owner of a Note or Notes, as shown in the Register.

“Paying Agent/Registrar” means initially JPMorgan Chase Bank, N.A., or any successor thereto as provided in this Ordinance.

“Paying Agent/Registrar Agreement” means the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar relating to the Notes.

“Purchaser” means JPMorgan Chase Bank, N.A.

“Record Date” means the last business day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a).

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of the principal of or interest on Notes as the same become due and payable and remaining unclaimed by the Owners of such Notes for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions. The terms “City Council” and “City” shall have the meaning assigned in the preamble to this Ordinance.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

ARTICLE II

SECURITY FOR THE BONDS

Section 2.01. Tax Levy for Payment of the Notes.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Notes, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Notes, being (i) the interest on the Notes, and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent per annum (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Notes or interest thereon remain outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City at a rate sufficient, within the limit prescribed by law, to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and deposited into the Interest and Sinking Fund for the payment of the debt service requirements on the Notes, and the tax shall not be diverted to any other purpose.

(d) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Notes when and as due and payable in accordance with their terms and this Ordinance.

(e) If the liens and provisions of this Ordinance shall be discharged in a manner permitted by Article XI, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Authorization. The City's bonds to be designated "City of Copperas Cove, Texas, Limited Tax Notes, Series 2008," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, particularly Chapter 1431, Texas Government Code, as amended, in the aggregate principal amount of \$2,855,000 for the public purpose of providing funds (i) to acquire and construct street and utility system improvements within the City; (ii) to acquire land in the Grimes Crossing and Topsey Road area of the City for the relocation of fire station number 2 from its existing location on FM 1113; (iii) to acquire and construct improvements to community service facilities and projects, including to the City's parks and recreation facilities and the City's golf course; (iv) to acquire software for City administration purposes and to acquire playground and lighting equipment; (v) to acquire and construct improvements to the City's library building; and (vi) to pay the costs associated with the issuance of the Notes.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Notes shall be dated April 1, 2008, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Note, which shall be numbered T-1.

(b) The Notes shall mature on February 15, 2014 and shall bear interest at the per annum rate of 2.78%.

(c) Interest shall accrue and be paid on each Note, respectively, until the payment of the principal amount thereof shall have been paid or provided for, from the later of the Original Issue Date or the most recent Interest Payment Date to which interest has been paid or provided for. Such interest shall be payable semiannually on each February 15 and August 15 of each year, commencing on February 15, 2009, until maturity or prior redemption. Interest on the Notes shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Notes shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Notes shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Note appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Notes shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Note shall be paid to the person in whose name such Note is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Note at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Notes is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal

holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to any applicable escheat, unclaimed property, or similar law, including Title 6 of the Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be paid to the City and thereafter neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Notes for any further payment of such unclaimed moneys or on account of any such Notes.

Section 3.04. Execution and Initial Registration.

(a) The Notes shall be executed on behalf of the City by the Mayor Pro Tem and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Notes shall have the same effect as if each of the Notes had been signed manually and in person by each of said officers, and such facsimile seal on the Notes shall have the same effect as if the official seal of the City had been manually impressed upon each of the Notes.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Notes ceases to be such officer before the authentication of such Notes or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Notes. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Note delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, one Initial Note representing the entire principal amount of the Notes, payable in stated installments to the initial purchaser or its designee, executed by manual or facsimile signature of the Mayor Pro Tem and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Note is registered as the absolute owner of such Note for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further

purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Note is registered on the Record Date), and for all other purposes, whether or not such Note is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Note to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Notes remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Notes in accordance with this Ordinance.

(b) The ownership of a Note may be transferred only upon the presentation and surrender of the Note at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Note shall be effective until entered in the Register.

(c) The Notes shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Note or Notes of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Notes presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Notes exchanged for other Notes in accordance with this Section.

(d) Each exchange Note delivered by the Paying Agent/ Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Note or Notes in lieu of which such exchange Note is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for any different denomination of any of the Notes. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Note.

(f) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Note called for redemption, in whole or in part, where such redemption is scheduled to occur within forty-five (45) calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Note.

Section 3.07. Cancellation and Authentication. All Notes paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Notes in lieu of which exchange Notes or replacement Notes are authenticated and delivered in accordance with this Ordinance,

shall be cancelled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the cancelled Notes in accordance with the Securities Exchange Act of 1934.

Section 3.08. Temporary Notes.

(a) Following the delivery and registration of the Initial Note and pending the preparation of definitive Notes, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Notes that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Notes in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Notes may determine, as evidenced by their signing of such temporary Notes.

(b) Until exchanged for Notes in definitive form, such Notes in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Notes in definitive form; thereupon, upon the presentation and surrender of the Note or Notes in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Notes in temporary form and authenticate and deliver in exchange therefor a Note or Notes of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Note or Notes in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Notes.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Note, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Note to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Note is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Note has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Note;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Note, a bona fide purchaser of the original Note in lieu of which such replacement Note was issued presents for payment such original Note, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Note from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Note has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Note, may pay such Note.

(e) Each replacement Note delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Note or Notes in lieu of which such replacement Note is delivered.

ARTICLE IV

REDEMPTION OF NOTES BEFORE MATURITY

Section 4.01. No Optional Redemption. The Notes shall not be subject to optional redemption before scheduled maturity.

Section 4.02. Mandatory Sinking Fund Redemption.

(a) The Notes are subject to mandatory sinking fund redemption prior to their scheduled maturity and will be redeemed by the City in part at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date, on February 15 in each of the years and in the principal amounts shown in the following schedule:

<u>Year</u>	<u>Principal Amounts</u>
2009	\$260,000
2010	250,000
2011	320,000
2012	430,000
2013	600,000
2014	995,000*

*Maturity

(b) The principal amount of the Notes required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of the Notes which, at least 50 days prior to a mandatory redemption date (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City, or (iii) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.

(c) The City reserves the right to purchase Notes, in lieu of redemption, at a price not exceeding the principal amount thereof, plus accrued interest, with moneys on deposit in the Interest and Sinking Fund which are available for mandatory redemption of the Notes, and the principal amount of Notes so purchased and delivered to the Paying Agent/Registrar at least 50 days prior to a mandatory redemption date shall be credited against the amount required to be called for redemption in that year.

Section 4.03. Notice of Redemption to Owners.

(a) In the event (i) of a redemption pursuant to Section 4.03 and (ii) that the Purchaser is not the sole Owner of the Notes, the Paying Agent/Registrar shall give notice of such redemption of Notes by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Note (or part thereof) to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Notes are to be surrendered for payment, and, if less than all the Notes outstanding are to be redeemed, an identification of the Notes or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.04. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Notes to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Notes being redeemed.

(b) Upon presentation and surrender of any Note called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Note to the date of redemption from the money set aside for such purpose.

Section 4.05. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance, the Notes or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the principal thereof, redemption premium, if any, or accrued interest thereon, such Notes or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Notes are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, then any Note or portion thereof shall continue to bear interest at the rate stated on the Note until due provision is made for the payment of same.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar. JPMorgan Chase Bank, N.A., is hereby appointed as the initial Paying Agent/Registrar for the Notes.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Notes.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Notes are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor Pro Tem is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar. The signature of the Mayor Pro Tem shall be attested by the City Secretary.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination. The City, upon not less than 60 days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Notes.

Section 5.05. Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner and any bond insurer by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, and executing the Paying Agent/Registrar Agreement,

the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Notes to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE NOTES

Section 6.01. Form Generally.

(a) The Notes, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Notes, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and indorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Notes, as evidenced by their execution thereof.

(b) Any portion of the text of any Notes may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Notes.

(c) The Notes, including the Initial Note submitted to the Attorney General of Texas and any temporary Notes, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Notes, as evidenced by their execution thereof.

Section 6.02. Form of Notes. The form of Notes, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Notes, shall be substantially as follows:

(a) [Form of Note]

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF COPPERAS COVE, TEXAS
LIMITED TAX NOTES
SERIES 2008

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>
_____ %	February 15, 2014	May 1, 2008

The City of Copperas Cove (the “City”) in the Counties of Coryell, Lampasas and Bell, State of Texas, for value received, hereby promises to pay to

_____ or registered assigns, on the Maturity Date specified above, the sum of

_____ DOLLARS

unless this Note shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Original Issue Date specified above or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2009.

The principal of this Note shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Note at the corporate trust office in Dallas, Texas (the “Designated Payment/Transfer Office”), of JPMorgan Chase Bank, N.A., as initial Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Note is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Note, the registered owner shall be the person in whose name this Note is registered at the close of business on the “Record Date,” which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest

payment date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “Special Payment Date,” which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Note appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Notes is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Note is one of a series of fully registered notes specified in the title hereof dated as of April 1, 2008 issued in the aggregate principal amount of \$2,855,000 (herein referred to as the “Notes”) pursuant to a certain ordinance of the City Council of the City (the “Ordinance”) for the public purpose of providing funds for authorized public improvements for and within the City, and to pay the costs of issuance related to the Notes.

The Notes and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limit prescribed by law, against all taxable property in the City as described and provided in the Ordinance.

This Note is not subject to optional redemption prior to maturity.

The Notes are subject to mandatory sinking fund redemption prior to their scheduled maturity and will be redeemed by the City in part at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date, on August 15 in each of the years and in the principal amounts shown in the following schedule:

<u>Year</u>	<u>Principal Amounts</u>
2009	\$260,000
2010	250,000
2011	320,000
2012	430,000
2013	600,000
2014	995,000*

*Maturity

The principal amount of the Notes required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of the Notes which, at least 50 days prior to a mandatory redemption date (i) shall have been acquired by the City and delivered to

the Paying Agent/Registrar for cancellation or (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City.

The City reserves the right to purchase Notes, in lieu of redemption, at a price not exceeding the principal amount thereof, plus accrued interest, with moneys on deposit in the Interest and Sinking Fund which are available for mandatory redemption of the Notes, and the principal amount of Notes so purchased and delivered to the Paying Agent/Registrar at least 50 days prior to a mandatory redemption date shall be credited against the amount required to be called for redemption in that year.

In the event that the initial Purchaser of the Notes (as defined in the Ordinance) is not the sole registered owner of all of the Notes, notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Notes to be redeemed in whole or in part. Notice having been so given, the Notes or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; and, from and after such date, notwithstanding that any of the Notes or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Notes or portions thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Note is transferable upon surrender of this Note for transfer at the Designated Payment/Transfer Office, with such indorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Notes of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Note called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Note.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Note is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Note be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Note and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Notes have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Notes, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Note has been duly executed on behalf of the City, under its official seal, in accordance with law.

Jane Lees, City Secretary,
City of Copperas Cove, Texas

Robert L. Reeves, Mayor Pro Tem
City of Copperas Cove, Texas

(b) [Form of Certificate of Paying Agent/Registrar]

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Notes referred to in the within mentioned Ordinance. The series of Notes of which this Note is a part was originally issued as one Initial Note which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

JPMORGAN CHASE BANK, N.A.,
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(c) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and Zip Code of transferee): _____

(Social Security or other identifying number: _____) the within Note and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Note on the books kept for registration hereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed By: _____

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(d) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Note:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Note, and that this Note has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

Comptroller of Public Accounts of the
State of Texas

[SEAL]

Section 6.03. CUSIP Registration. The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Notes. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Notes shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Notes as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Notes.

Section 6.04. Legal Opinion. The approving legal opinion of Vinson & Elkins L.L.P., Bond Counsel, may be printed on each Note over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Municipal Bond Insurance. If municipal bond guaranty insurance is obtained with respect to the Notes, the Notes, including the Initial Note, may bear an appropriate legend, as provided by the insurer. To the extent permitted by applicable law, the City will comply with all notice and other applicable requirements of the insurer in connection with the issuance of the Notes, as such requirements may be in effect and transmitted to the City with the insurer's commitment to issue such insurance.

ARTICLE VII

SALE OF THE BONDS; CONTROL AND DELIVERY OF THE BONDS

Section 7.01. Sale of Notes.

(a) The Notes having been duly advertised and offered for sale at private sale, are hereby officially sold and awarded to JPMorgan Chase Bank, N.A. (the "Purchaser") for a purchase price equal to the principal amount thereof, being the best terms available to the City, pursuant to a purchase agreement (the "Purchase Agreement") between the City and the Purchaser, such Purchase Agreement being hereby approved. The Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Purchase Agreement to the Purchaser. The Notes shall initially be registered in the name of the Purchaser or its designee.

(b) All officers and officials of the City are authorized to take such actions and to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Notes, as they may deem necessary and appropriate in order to consummate the delivery of the Notes. Further, in connection with the submission of the record of proceedings for the Notes to the Attorney General of the State of Texas for examination and approval of such Notes, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Notes or (ii) \$9,500).

(c) The obligation of the Purchaser identified in subsection (a) of this Section to accept delivery of the Notes is subject to the Purchaser being furnished with the final, approving opinion of Vinson & Elkins L.L.P., Bond Counsel for the City, which opinion shall be dated as of and delivered on the Closing Date.

Section 7.02. Control and Delivery of Notes.

(a) The Mayor Pro Tem is hereby authorized to have control of the Initial Note and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Notes shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor Pro Tem, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor Pro Tem or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem Pro Tem and the

Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor Pro Tem and City Secretary, respectively.

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts:

(i) The City of Copperas Cove, Texas, Limited Tax Notes, Series 2008, Interest and Sinking Fund; and

(ii) The City of Copperas Cove, Texas, Limited Tax Notes, Series 2008, Construction Fund.

(b) Each of said funds or accounts shall be maintained at an official depository of the City.

Section 8.02. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Notes.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Notes plus the aggregate amount of interest due and that will become due and payable on such Notes, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Notes as such become due and payable.

Section 8.03. Construction Fund.

(a) Money on deposit in the Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Construction Fund after the accomplishment of the purposes for which the Notes are hereby issued, including investment earnings of the Construction Fund, shall be deposited into the Interest and Sinking Fund.

Section 8.04. Security of Funds. All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds. The proceeds from the sale of the Notes shall be deposited to the Construction Fund, such moneys to be dedicated and used for the purposes specified in Section 3.01.

Section 8.06. Investments.

(a) Money in the Interest and Sinking Fund and the Construction Fund, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income. Interest and income derived from investment of any fund created by this Ordinance shall be credited to such fund.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Notes. While any of the Notes are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Notes, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Note; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Note on the dates and at the places and manner prescribed in such Note; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Notes; all action on its part for the creation and issuance of the Notes has been duly and effectively taken; and the Notes in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Provisions Concerning Federal Income Tax Exclusion. The City intends that the interest on the Notes shall be excludable from gross income for purposes of federal income taxation pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations promulgated thereunder (the "Regulations"). The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Notes to be includable in the gross income, as defined in section 61 of the Code, of the holders thereof for purposes of federal income taxation. In particular, the City covenants and

agrees to comply with each requirement of Sections 9.03 through 9.10 of this Article IX; provided, however, that the City shall not be required to comply with any particular requirement of Sections 9.03 through 9.10 of this Article IX if the City has received an opinion of nationally recognized bond counsel (“Counsel’s Opinion”) that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes or if the City has received a Counsel’s Opinion to the effect that compliance with some other requirement set forth in Sections 9.03 through 9.10 of this Article IX will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel’s Opinion shall constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.10 of this Article IX.

Section 9.04. No Private Use or Payment and No Private Loan Financing. The City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, the proceeds of the Refunded Obligations have not been used and the proceeds of the Notes will not be used in a manner that would cause the Notes to be “private activity bonds” within the meaning of section 141 of the Code and the Regulations. The City covenants and agrees that it will make such use of the proceeds of the Notes and the Refunded Obligations, including interest or other investment income derived from Note proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the bonds will not be “private activity bonds” within the meaning of section 141 of the Code and the Regulations.

Section 9.05. No Federal Guaranty. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Notes to be “federally guaranteed” within the meaning of section 149(b) of the Code and the Regulations, except as permitted by section 149(b)(3) of the Code and the Regulations.

Section 9.06. Notes are not Hedge Bonds. The City covenants and agrees not to take any action, or knowingly omit to take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Notes to be “hedge bonds” within the meaning of section 149(g) of the Code and the Regulations.

Section 9.07. No-Arbitrage Covenant. The City shall certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, the City will reasonably expect that the proceeds of the Notes will not be used in a manner that would cause the Notes to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Notes including interest or other investment income derived from Note proceeds, regulate investments of proceeds of the Notes and take such other and further action as may be required so that the Notes will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations.

Section 9.08. Arbitrage Rebate. If the City does not qualify for an exception to the requirements of Section 148(f) of the Code, the City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Notes (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Notes as may be required to calculate the amount earned on the investment of the gross proceeds of the Notes separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issue of the City or moneys which do not represent gross proceeds of any bonds of the City, (ii) calculate at such times as are required by the Regulations, the amount earned from the investment of the gross proceeds of the Notes which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Notes or on such other dates as may be permitted under the Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Notes that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting. The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Notes are issued, an information statement concerning the Notes, all under and in accordance with section 149(e) of the Code and the Regulations.

Section 9.10. Continuing Obligation. Notwithstanding any other provision of this Ordinance, the City’s obligations under the covenants and provisions of Sections 9.03 through 9.09 of this Article IX shall survive the defeasance and discharge of the Notes.

Section 9.11. Qualified Tax-Exempt Obligations. The City hereby designates the Notes as “qualified tax-exempt obligations” for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2008, including the Notes, which have been designated as “qualified tax-exempt obligations” under section 265(b)(3) of the Code does not exceed \$10,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations which will be issued by the City during calendar year 2008, including the Notes, will not exceed \$10,000,000. For purposes of this Section 9.11, the term “tax-exempt obligations” does not include “private activity bonds” within the meaning of section 141 of the Code, other than “qualified 501(c)(3) bonds” within the meaning of section 145 of the Code. In addition, for purposes of this Section 9.11, the City includes all governmental units which are aggregate with the City under section 265(b) of the Code.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an “Event of Default,” to-wit:

(i) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Notes when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Notes then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Notes or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Notes shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. The City reserves the right to defease, discharge or refund the Notes in any manner permitted by applicable law.

ARTICLE XII

EFFECTIVE IMMEDIATELY

Section 12.01. Effectiveness. This Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

APPROVED this 1st day of April 2008.

Robert L. Reeves, Mayor Pro Tem
City of Copperas Cove, Texas

ATTEST:

Jane Lees, City Secretary
City of Copperas Cove, Texas

Signature Page for Ordinance

GENERAL CERTIFICATE

We, the undersigned, Mayor Pro Tem and City Secretary, respectively, of the City of Copperas Cove, Texas (the "City"), hereby certify the following information:

I. General

1.1 This certificate relates to the City of Copperas Cove, Texas, Limited Tax Notes, Series 2008 (the "Obligations."). Capitalized terms used herein shall have the meanings assigned to such terms in the ordinance (the "Ordinance") authorizing the issuance of the Obligations.

1.2 The City is a duly incorporated Home Rule City operating under the Constitution and laws of the State of Texas and the duly adopted Home Rule Charter of the City, which Charter was last amended at an election held on September 10, 2005 (the "Charter Election"). A true and correct copy of the Home Rule Charter, together with the amendments approved at the Charter Election, were submitted to the Attorney General of Texas in connection with the approval the of the City's Combination Tax and Revenue Bonds of Obligation, Series 2005.

1.3 As of April 1, 2008 and as of the date hereof, the members of the City Council and certain other officers of the City are as follows:

[vacant], Mayor	Mark Peterson, Councilmember
Robert Reeves, Mayor Pro Tem	Charlotte Heinze, Councilmember
Fred Harris, Councilmember	Ray Don Clayton, Councilmember
Larry Sheppard, Councilmember	Frank Somera, Councilmember

Andrea Gardner, City Manager
Wanda Bunting, Financial Services Director
Jane Lees, City Secretary

1.4 The total principal amount of the presently outstanding tax-supported indebtedness of the City, after giving effect to the issuance of the, is \$_____.

1.5 According to the tax rolls of the City for the year 2007, which are the latest approved tax rolls of the City, the total assessed value of property subject to ad valorem taxation by the City is \$_____.

1.6 The City is not in default in the payment of principal or interest on any of its outstanding obligations.

1.7 Neither the corporate existence nor boundaries of the City nor the title of its present officers to their respective offices is being contested, and no authority or proceedings for the issuance of the Bonds have been repealed, revoked, or rescinded.

1.8 A true and correct copy of the debt service schedule showing the actual annual debt service requirements of all the City's debt payable from ad valorem taxes is attached hereto as Exhibit A.

II. Signature Identification and No Litigation

2.1 The undersigned Mayor Pro Tem and City Secretary officially executed and signed the Obligations, including the Initial Note delivered to the purchaser of the Obligations (the "Initial Obligation"), by manual signature or by causing facsimiles of our manual signatures to be imprinted or lithographed on each of the Obligations, and we hereby adopt said facsimile signatures as our own, respectively, and declare that said facsimile signatures constitute our signatures the same as if we had manually signed each of the Obligations; at the time we so executed and signed the Obligations we were, and at the time of executing this certificate we are, the duly chosen, qualified, and acting officers indicated therein and authorized to execute the same; and we have caused the official seal of the City to be impressed, printed, or lithographed on each of the Obligations, and said seal on the Bonds has been duly adopted as, and is hereby declared to be, the official seal of the City.

2.2 The Obligations, including the Initial Obligation, are substantially in the form, and have been duly executed and signed in the manner prescribed in the Ordinance.

2.3 No litigation is pending or, to our knowledge, threatened in any court to restrain or enjoin the issuance or delivery of the Obligations, the levy or the collection of the ad valorem taxes pledged to pay the principal of and interest on the Obligations, or the pledge thereof, or in any way contesting or affecting the validity of the Obligations, the Ordinance, the powers of the City or contesting the authorization of the Obligations or the Ordinance.

[Execution Page Follows]

EXECUTED AND DELIVERED ON _____.

Manual Signatures

Official Titles

Mayor Pro Tem, City of Copperas Cove, Texas

City Secretary, City of Copperas Cove, Texas

STATE OF TEXAS

§

§

COUNTIES OF BELL, CORYELL
AND LAMPASAS

§

§

Before me, the undersigned authority, on this day personally appeared Robert Reeves, Mayor Pro Tem of the City of Copperas Cove, Texas, known to me to be the person who signed the above and foregoing in my presence and who acknowledged to me that such person executed the above and foregoing Bond for the purposes stated therein.

Given under my hand and seal of office this _____.

[SEAL]

Notary Public, State of Texas

STATE OF TEXAS

§

§

COUNTIES OF BELL, CORYELL
AND LAMPASAS

§

§

Before me, the undersigned authority, on this day personally appeared Jane Lees, City Secretary of the City of Copperas Cove, Texas, known to me to be the person who signed the above Bond in my presence and who acknowledged to me that such person executed the above and foregoing Bond for the purposes stated therein.

Given under my hand and seal of office this _____.

[SEAL]

Notary Public, State of Texas

EXHIBIT A

Debt Service Schedule

(See attached schedule)

PAYING AGENT/REGISTRAR AGREEMENT

between

CITY OF COPPERAS COVE, TEXAS

and

JPMORGAN CHASE BANK, N.A.

Pertaining to

City of Copperas Cove, Texas

Limited Tax Notes

Series 2008

Dated as of April 1, 2008

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PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (this “Agreement”), dated as of April 1, 2008, is by and between THE CITY OF COPPERAS COVE, TEXAS (the “Issuer”), and JPMORGAN CHASE BANK, N.A., Houston, Texas (the “Bank”), a national banking association authorized to do business in Texas.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its Limited Tax Notes, Series 2008 (the “Obligations”), to be issued as registered securities without coupons;

WHEREAS, the Bank intends to purchase the Obligations, and, as part of the Bank’s agreement with the Issuer to purchase the Obligations, the Bank has agreed to serve as Paying Agent/Registrar for the Obligations; and

WHEREAS, all things necessary to make the Obligations the valid obligations of the Issuer, in accordance with their terms, will be taken upon the issuance and delivery thereof;

WHEREAS, the Issuer is desirous that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Obligations, in accordance with the terms thereof, and that the Bank act as Registrar for the Obligations;

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement the valid agreement of the Issuer, in accordance with its terms, have been done;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment. (a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Obligations in paying to the Owners of the Obligations the principal, redemption premium, if any, and interest on all or any of the Obligations.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Obligations.

(c) The Bank hereby accepts its appointment, and agrees to act as, the Paying Agent and Registrar.

Section 1.02. Compensation. (a) As compensation for the Bank’s services as Paying Agent/Registrar, the Issuer hereby agrees so long as this agreement is in effect, to pay the Bank the fees and amounts set forth in Annex A hereto for so long as the principal of and interest on, or redemption price of, the Obligations, is unpaid.

(b) In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Bank in accordance

with any of the provisions hereof, including the reasonable compensation and the expenses and disbursements of its agents and counsel.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

“Bank” means JPMorgan Chase Bank, N.A.

“Designated Payment/Transfer Office” means the principal corporate trust office of the Bank located in Houston, Texas, or in such other location as designated by the Paying Agent/Registrar. The Bank will notify the Issuer in writing of any change in location of the Designated Payment/Transfer Office.

“Fiscal Year” means the fiscal year of the Issuer.

“Issuer” means the City of Copperas Cove, Texas.

“Issuer Request” and “Issuer Order” means a written request or order signed in the name of the Issuer by the Mayor, the City Secretary, or any other authorized representative of the Issuer and delivered to the Bank.

“Legal Holiday” means a day on which the Bank is required or authorized by applicable law to be closed.

“Obligation” or “Obligations” means, collectively, any or all of the Issuer’s Limited Tax Notes, Series 2008.

“Order” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Obligations are issued, certified by the Secretary or any other officer of the Issuer, and delivered to the Bank.

“Owner” means the Person in whose name a Obligation is registered in the Register.

“Paying Agent/Registrar” means initially JPMorgan Chase Bank, N.A., or any successor thereto as provided in this Order when it is performing the functions associated with the terms in this Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision of a government.

“Predecessor Obligations” of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation

(and, for the purposes of this definition, any Obligation registered and delivered under Section 4.06 in lieu of a mutilated, lost, destroyed or stolen Obligation shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Obligation).

“Record Date” means the last business day of the month next preceding an interest payment date established by the Order.

“Register” means a register in which the Issuer shall provide for the registration and transfer of Obligations.

“Responsible Officer” when used with respect to the Bank means the Chairman or Vice Chairman of the Board of Directors, the Chairman or Vice Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Stated Maturity” means the date specified in the Order as the fixed date on which the principal of the Obligations is due and payable or the date fixed in accordance with the terms of the Order for redemption of the Obligations, or any portion thereof, prior to the fixed maturity date.

Section 2.02. Other Definitions. The terms “Bank” and “Issuer” have the meanings assigned to them in the opening paragraph of this Agreement.

ARTICLE III

PAYING AGENT

Section 3.01. Duties of Paying Agent. (a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner at the Stated Maturity and upon the surrender of the Obligation or Obligations so maturing at the Designated Payment/Transfer Office, the principal amount of the Obligation or Obligations then maturing, and redemption premium, if any, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payment.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Obligations to each Owner of the Obligations (or their Predecessor Obligations) as shown in the Register at the close of business on the Record Date, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payments; such payments shall be made by computing the amount of interest to be paid each Owner, preparing the checks, and mailing the checks on each payment date addressed to the addresses thereof as appearing on the Register on the Record Date.

Section 3.02. Payment Dates. The Issuer hereby instructs the Bank to pay the principal of, redemption premium, if any, and interest on the Obligations at the dates specified in the Order.

ARTICLE IV

REGISTRAR

Section 4.01. Transfer and Exchange. (a) The Issuer shall keep the Register at the Designated Payment/Transfer Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished the Bank herewith or subsequent hereto by Issuer Order, the Issuer shall provide for the registration and transfer of the Obligations. The Bank is hereby appointed “Registrar” for the purpose of registering and transferring the Obligations as herein provided. The Bank agrees to maintain the Register while it is Registrar.

(b) The Bank as Registrar hereby agrees that at any time while any Obligation is outstanding, the Owner may deliver such Obligation to the Bank for transfer or exchange, accompanied by instructions from the Owner, or the duly authorized designee of the Owner, designating the persons, the maturities, and the principal amounts to and in which such Obligation is to be transferred and the addresses of such persons; the Bank shall thereupon, within not more than three (3) business days, register and deliver such Obligation or Obligations as provided in such instructions. The provisions of the Order shall control the procedures for transfer or exchange set forth herein to the extent such procedures are in conflict with the provisions of the Order.

(c) Every Obligation surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed in a manner satisfactory to the Bank, duly executed by the Owner thereof or his attorney duly authorized in writing.

(d) The Bank may request any supporting documentation it feels necessary to effect a re-registration.

Section 4.02. The Obligations. The Issuer shall provide an adequate inventory of unregistered Obligations to facilitate transfers. The Bank covenants that it will maintain the unregistered Obligations in safekeeping and will use reasonable care in maintaining such unregistered Obligations in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.03. Form of Register. (a) The Bank as Registrar will maintain the records of the Register in accordance with the Bank’s general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and utilizes at the time.

(b) The Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Owners. (a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) Unless otherwise required by law, the Bank will not release or disclose the content of the Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer. Upon receipt of a subpoena or court order, the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

(c) At all times, while the Bank is Registrar, the Bank shall maintain and have available a copy of the Register at an office in the State of Texas.

Section 4.05. Cancellation of Obligations. All Obligations surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it; if surrendered to the Issuer, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly cancelled by the Bank. All cancelled Obligations held by the Bank shall be disposed of in accordance with the Securities Exchange Act of 1934.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Obligations. (a) Subject to the provisions of this Section 4.06, the Issuer hereby instructs the Bank to deliver fully registered Obligations in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations as long as the same does not result in an overissuance.

(b) If (i) any mutilated Obligation is surrendered to the Bank, or the Issuer and the Bank receives evidence to their satisfaction of the destruction, loss, or theft of any Obligation, and (ii) there is delivered to the Issuer and the Bank such security or indemnity as may be required by the Bank to save and hold each of them harmless, then in the absence of notice to the Issuer or the Bank that such Obligation has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Bank shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Obligation, a new Obligation of the same stated maturity and of like tenor and principal amount bearing a number not contemporaneously outstanding.

(c) Every new Obligation issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Obligation shall constitute a replacement of the prior obligation of the Issuer, whether or not the mutilated, destroyed, lost, or stolen Obligation shall be at any time enforceable by anyone, and shall be entitled to all the benefits of the Order equally and ratably with all other outstanding Obligations.

(d) Upon the satisfaction of the Bank and the Issuer that an Obligation has been mutilated, destroyed, lost, or stolen, and upon receipt by the Bank and the Issuer of such indemnity or security as they may require, the Bank shall cancel the Obligation number on the

Obligation registered with a notation in the Register that said Obligation has been mutilated, destroyed, lost, or stolen; and a new Obligation shall be issued of the same series and of like tenor and principal amount bearing a number, according to the Register, not contemporaneously outstanding.

(e) The Bank may charge the Owner the Bank's fees and expenses in connection with issuing a new Obligation in lieu of or exchange for a mutilated, destroyed, lost, or stolen Obligation.

(f) The Issuer hereby accepts the Bank's current blanket bond for lost, stolen, or destroyed Obligations and any future substitute blanket bond for lost, stolen, or destroyed Obligations that the Bank may arrange, and agrees that the coverage under any such blanket bond is acceptable to it and meets the Issuer's requirements as to security or indemnity. The Bank need not notify the Issuer of any changes in the security or other company giving such bond or the terms of any such bond, provided that the amount of such bond is not reduced below the amount of the bond on the date of execution of this Agreement. The blanket bond then utilized by the Bank for lost, stolen, or destroyed Obligations by the Bank is available for inspection by the Issuer on request.

Section 4.07. Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations it has paid pursuant to 3.01; Obligations it has delivered upon the transfer or exchange of any Obligations pursuant to Section 4.01; and Obligations it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations pursuant to Section 4.06 of this Agreement.

ARTICLE V

THE BANK

Section 5.01. Duties of Bank. The Bank undertakes to perform the duties set forth herein and in accordance with the Order and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Obligations to pay the Obligations as the same shall become due and further agrees to establish and maintain all accounts and funds as may be required for the Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc. (a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that

repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and the Bank.

Section 5.03. Recitals of Issuer. (a) The recitals contained herein and in the Obligations shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

(b) The Bank shall in no event be liable to the Issuer, any Owner, or any other Person for any amount due on any Obligation except as otherwise expressly provided herein with respect to the liability of the Bank for its duties under this Agreement.

Section 5.04. May Hold Obligations. The Bank, in its individual or any other capacity, may become the Owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Money Held by Bank. (a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Subject to the provisions of Title 6, Texas Property Code, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Obligation and remaining unclaimed for three years after final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Obligation shall thereafter look only to the Issuer for the payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

(d) The Bank will comply with the reporting requirements of Chapter 74 of the Texas Property Code.

(e) When the Bank is not the Owner of all the Obligations outstanding, the Bank shall deposit any moneys received from the Issuer into a trust account to be held in a paying agency capacity for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance available to the Issuer provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on the Obligations have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Section 5.06. Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank, its officers, directors, employees, and agents for, and hold them harmless against, any loss, liability, or expense incurred without negligence or bad faith on their part arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, and under Article V of the Order, including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demands or controversy over its persons as well as funds on deposit in the appropriate state or federal court in the State of Texas; waive personal service of any process; and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any person claiming any interest herein.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 6.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown below:

- (a) if to the Issuer: City of Copperas Cove, Texas
507 South Main Street
Copperas Cove, Texas 76522
Attention: Mayor
- (b) if to the Bank : JPMorgan Chase Bank, N.A.
707 Travis, 9th Floor North
Houston, Texas 77002

Section 6.04. Designated Payment/Transfer Office. The Designated Payment/Transfer Office shall be the office of the Bank as set forth in Section 6.03.

Section 6.05. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.06. Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.07. Separability. If any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.08. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09. Entire Agreement. This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar, and if any conflict exists between this Agreement and the Order, the Order shall govern.

Section 6.10. Counterparts. This Agreement may be executed in any number of counterparts, each which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11. Termination. (a) This Agreement will terminate on the date of final payment by the Bank issuing its checks for the final payment of principal, redemption premium, if any, and interest of the Obligations.

(b) The Issuer may not terminate the Bank as Paying Agent/Registrar so long as the bank is the sole holder of the Obligations.

(c) If the Bank is not the sole holder of the Obligations, this Agreement may be earlier terminated upon sixty (60) days written notice by either party; provided, that, no termination shall be effective until a successor has been appointed by the Issuer and has accepted the duties imposed by this Agreement. The resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an

instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within sixty (60) days after giving notice of resignation.

(d) The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Execution Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF COPPERAS COVE, TEXAS

By: _____
Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary

JPMORGAN CHASE BANK, N.A.,
as Paying Agent/Registrar

By: _____
Title: _____

ANNEX "A"

SCHEDULE OF FEES FOR SERVICE AS PAYING AGENT/REGISTRAR

\$-0-

PURCHASE AGREEMENT

April 1, 2008

Mayor Pro Tem and City Council
City of Copperas Cove
Copperas Cove, Texas

Re: City of Copperas Cove, Texas, Limited Tax Notes, Series 2008

Ladies and Gentlemen:

We hereby offer to purchase from the City of Copperas Cove, Texas (the "City"), the captioned notes (the "Notes") and, upon acceptance of this offer by the City, such offer will become a binding agreement between the undersigned and the City. This offer must be accepted by 10:00 p.m., Central time, April 1, 2008, and if not so accepted will be subject to withdrawal.

1. Purchase Price. The purchase price for the Notes shall be \$2,855,000, representing the principal amount thereof.
2. Terms of Notes. The Obligations shall be issued in the principal amount of \$2,855,000 and shall bear interest at such rate, mature on such date and have such other terms and conditions as are set forth in the Ordinance (the "Ordinance") to be adopted by the City Council of the City on April 1, 2008, a copy of which has been provided to us. Pursuant to and as more fully described in the Ordinance, the Notes shall be secured by a pledge of ad valorem taxes to be levied on all taxable property within the City within the limits prescribed by law.
3. Closing. The City shall deliver the Notes to, or for the account of, the undersigned and the undersigned shall purchase the Notes at 10:00 a.m., Central time, on May 1, 2008, or at such other time as shall be mutually agreed upon (hereinafter referred to as the "Closing"). The Closing shall take place at the offices of Vinson & Elkins L.L.P., Austin, Texas, or such other location as may be mutually agreed upon.
4. Conditions to Closing. The undersigned shall have no obligation to consummate the purchase of the Notes unless the following requirements shall have been satisfied prior to Closing:
 - (a) The City Council of the City shall have adopted the Ordinance authorizing the issuance of the Notes.
 - (b) Vinson & Elkins L.L.P. shall have issued its approving legal opinion as to the due authorization, issuance and delivery of the Notes and as to the exemption of interest thereon from federal income taxation.

- (c) The Notes shall have been approved by the Attorney General of the State of Texas and shall have been registered by the Comptroller of Public Accounts of the State of Texas.
- 5. Nature of Purchase. The undersigned and the City acknowledge that no official statement or other disclosure or offering document has been prepared in connection with the issuance and sale of the Notes. The undersigned represents that it is a knowledgeable and sophisticated investor with experience in purchasing municipal securities such as the Notes. The undersigned is familiar with the financial condition and affairs of the City, particularly with respect to its ability to pay its tax supported Notes such as the Notes. The undersigned has received from the City all information that it has requested in order for it to assess and evaluate the security and source of payment for the Notes. The undersigned is purchasing the Notes for its own account as evidence of a loan and has no present intention to make a public distribution or sale of the Notes. In no event will the undersigned sell the Notes to purchasers who are not sophisticated investors unless an official statement or other disclosure document is prepared with respect to the Notes.
- 6. City's Comprehensive Annual Financial Report. While the Notes are outstanding, the City, as soon as available and in any event within one hundred eighty (180) days after the end of each fiscal year of the City, shall furnish to the undersigned a copy of the City's Comprehensive Annual Financial Report (including audited financial statements).

Mayor and City Council
April 1, 2008

This purchase agreement may be executed in one or more counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

If this purchase agreement meets with your approval, please execute it in the place provided below and return one fully executed copy to us.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By _____
Title _____

Mayor and City Council
April 1, 2008

ACCEPTED BY CITY COUNCIL
OF THE CITY OF COPPERAS COVE, TEXAS

Robert L. Reeves, Mayor Pro Tem

City of Copperas Cove, Texas

\$2,855,000 Limited Tax Notes, Series 2008

Chase Bank Bid

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/01/2008	-	-	-	-	-
02/15/2009	260,000.00	2.780%	62,613.32	322,613.32	-
08/15/2009	-	-	36,070.50	36,070.50	-
09/30/2009	-	-	-	-	358,683.82
02/15/2010	250,000.00	2.780%	36,070.50	286,070.50	-
08/15/2010	-	-	32,595.50	32,595.50	-
09/30/2010	-	-	-	-	318,666.00
02/15/2011	320,000.00	2.780%	32,595.50	352,595.50	-
08/15/2011	-	-	28,147.50	28,147.50	-
09/30/2011	-	-	-	-	380,743.00
02/15/2012	430,000.00	2.780%	28,147.50	458,147.50	-
08/15/2012	-	-	22,170.50	22,170.50	-
09/30/2012	-	-	-	-	480,318.00
02/15/2013	600,000.00	2.780%	22,170.50	622,170.50	-
08/15/2013	-	-	13,830.50	13,830.50	-
09/30/2013	-	-	-	-	636,001.00
02/15/2014	995,000.00	2.780%	13,830.50	1,008,830.50	-
09/30/2014	-	-	-	-	1,008,830.50
Total	\$2,855,000.00	-	\$328,242.32	\$3,183,242.32	-

Yield Statistics

Bond Year Dollars	\$11,807.28
Average Life	4.136 Years
Average Coupon	2.7800000%
Net Interest Cost (NIC)	2.7800000%
All Inclusive Cost (AIC)	3.2379282%

IRS Form 8038

Net Interest Cost	2.7800000%
Weighted Average Maturity	4.136 Years

2008 Tax Notes
Summary of Debt Issuance by Fund

Tax Supported Projects	<u>\$ 1,460,000</u>
Golf Course Projects	<u>\$ 80,000</u>
Water and Sewer Projects	<u>\$ 1,115,000</u>
Drainage Projects	<u>\$ 150,000</u>
Bond Issuance Costs	<u>\$ 50,000</u>
Total 2008 Tax Note Issue	<u><u>\$ 2,855,000</u></u>

City of Copperas Cove

City Council Agenda Item Report

April 1, 2008

Agenda Item No. I-2

Contact – Wanda Bunting, Director of Financial Services, 547-4221
wbunting@ci.copperas-cove.tx.us

SUBJECT: Consider and take action on Ordinance No. 2008-12 of the City of Copperas Cove, Texas, authorizing the issuance and sale of City of Copperas Cove, Texas, Limited Tax Notes, Series 2008, in the aggregate principal amount of \$2,855,000; awarding the sale of said notes; levying a tax in payment thereof; prescribing the form of said notes; and enacting other provisions relating to the subject.

1. BACKGROUND/HISTORY

During the 2007-08 Budget, City Council approved funding for capital projects and equipment purchases in the amount of \$1,085,000 with knowledge that a tax note issuance would be required. Furthermore, the adopted tax rate includes the issuance of this debt. In March 2008, a City Council Retreat was held and during that retreat City staff presented financing proposals regarding the proposed recreation center and various water and sewer projects. As a result, City Council directed staff to proceed with the tax note issuance for these various projects.

2. FINDINGS/CURRENT ACTIVITY

City Council adopted the property tax rate of 74.00 cents per \$100/assessed valuation on September 4, 2007. The tax rate of 74.00 cents included the option of issuing debt in the amount of \$1,085,000 to cover the capital projects. After the City Council Retreat in March 2008 and reviewing the City's financing options with the City Manager and the City's Financial Advisor, it was decided best to incorporate all of the following projects of which some were included in the original \$1.085 million amount:

- Land Purchase for the Fire Station #2 Relocation.
- Community Service Facility Improvements.
- Library Building Improvements.
- Software for City Administration.
- Initial A&E Startup Costs for the proposed Recreation Center project (includes the required TPWD grant match).
- Water and Sewer Projects.
- Additional Golf Cart Storage Facilities.
- Drainage Projects.

The principal and interest payments associated with the construction of the additional golf cart storage facilities will be paid from the rental revenue generated on the additional storage units. If sufficient revenue is not generated from the additional storage unit rental revenue, the remaining portion of the debt will be paid from property tax revenue.

In light of drainage issues experienced over the past year, the City is planning corrective action and additional funding for drainage projects is required. At this time, FEMA has not approved funding for the high priority drainage projects and the City needs to take action and begin to correct some of the drainage issues.

With these additional changes, the total debt issuance amount is \$2,855,000. First Southwest Company secured a bid of 2.78 percent for a term of seven (7) years on the proposed issuance.

3. FINANCIAL IMPACT

Attached you will find a copy of the summary of debt issuance by fund, debt service schedule, ordinance, and other issuance documents for your review.

4. ACTION OPTIONS/RECOMMENDATION

City Staff recommends that the City Council approve Ordinance No. 2008-12 providing for the issuance and sale of the City of Copperas Cove, Texas, Tax Notes, Series 2008.

ORDINANCE NO. 2008-09

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, APPROVING THE ATTACHED PERSONNEL POLICIES AND PROCEDURES OF THE CITY OF COPPERAS COVE BY REPEALING THE CURRENT PERSONNEL POLICY, NO. 311 (VACATION LEAVE), NO. 313 (SICK LEAVE), NO. 312 (HOLIDAYS), AND NO. 135 (OVERTIME AND COMPENSATORY TIME), AND REPLACING THE EXISTING POLICY WITH A REVISED PERSONNEL POLICY, NO. 311 (VACATION LEAVE), NO. 313 (SICK LEAVE), NO. 312 (HOLIDAYS), AND NO. 135 (OVERTIME AND COMPENSATORY TIME) AND RATIFYING THE REMAINING SECTIONS OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, The City of Copperas Cove has not updated this ordinance since September 1, 2006.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

Section 1.

That the Personnel Policies and Procedures Manual dated September 1, 2006, hereinafter set forth and included with this Ordinance as Exhibit "A" is hereby amended by repealing the current personnel policy, No. 311 - Vacation Leave, No. 313 - Sick Leave, No. 312 - Holidays, and No. 135 Overtime and Compensatory Time and replacing the existing policy with a revised personnel policy, No. 311 - Vacation Leave, No. 313 - Sick Leave, No. 312 - Holidays, and No. 135 Overtime and Compensatory Time correctly shown by the attached Exhibit "A";

Section 2.

That the remaining sections of the said Personnel Policies and Procedures Manual are hereby ratified, and shall remain in full force and effect;

Section 3.

That any outstanding Personnel Polices and Procedures Manuals other than Exhibit "A" either in the form of a manual or otherwise written or oral in nature, are hereby rescinded and are no longer of any force and effect;

Section 4.

That any additions, deletions or other amendments to the Personnel Policies and Procedures Manual shall be made in a manner similar to process by which this manual is originally approved and only after compliance with the Texas Open Meetings Act and approved by the City Council of the City of Copperas Cove.

Section 5.

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the city as a whole or any part thereof, other than the part so declared to be invalid.

Section 6.

That this ordinance shall be effective April 1, 2008.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE. TEXAS, this 1st day of April 2008, such meeting held in compliance with the Open Meeting Act (Texas Government Code, Chapter 551.001 et.seq.), at which a quorum was present and voting.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary

APPROVED AS TO FORM:

James R. Thompson, City Attorney

**VACATION LEAVE
Policy #311**

April 2008

The City of Copperas Cove allows for all regular full time employees to accrue vacation leave on a pay-period basis. Continued accrual of vacation leave shall be based on the length of service with the City.

Vacation leave shall accrue at the end of the first full pay period of employment, but an employee shall not be allowed to use any accrued vacation leave until he/she has successfully completed his/her initial employment Evaluation Period; vacation leave is forfeited if employment is terminated before an employee successfully completes the initial evaluation period. Temporary, seasonal employees, and part-time employees shall not earn vacation leave and shall not be entitled to vacation time or leave pay upon separation. Official City observed holidays occurring while an employee is on approved paid vacation leave shall be considered as paid holidays and do not affect vacation leave balances. Employees may not "borrow" unearned vacation time.

Use of Vacation Leave

Vacation leave is an earned benefit intended to provide time away from the work environment to pursue activities that will promote the well being of the individual. Whenever possible, vacation time will be scheduled at the convenience of employees. However, Department Directors must be certain that vacations do not interfere with the normal functions and activities of department operations. Whenever possible, employees are encouraged to submit their preferred vacation schedule to the appropriate supervisor as far in advance as possible to relieve any scheduling problems that may develop. To ensure proper payment of vacation pay, employees must make sure they have an approved vacation request on file before leaving for vacation. Vacation leave may also be used for purposes of attending to personal business, extension of sick leave when sick leave is exhausted, inability to get to work because of inclement weather, or for other purposes. Employees shall schedule their annual vacation leave in accordance with their Department's guidelines governing vacation scheduling and utilizing the Request for Leave Form.

Vacation leave will be earned and credited, according to the vacation accrual schedule below, to regular full time employees for each completed pay period worked. Vacation leave cannot exceed 25 days (200 hours) (288 hours for Fire & EMS shift personnel) at any given time. The employee will forfeit a vacation balance that exceeds 25 days (200 hours) (288 hours for Fire & EMS shift personnel) unless approved by the City Manager.

Vacation is paid at the employee's base rate at the time of vacation. It does not include overtime or any special forms of compensation. Vacation time is paid only for that time the employee would ordinarily have worked. Employees will not be paid for any unused vacation except upon separation of employment or if an employee is precluded from taking a scheduled vacation due to City and/or department needs.

**VACATION LEAVE
Policy #311**

April 2008

Department Directors may request, with City Manager approval, the City to buy back up to one week of vacation (40 hours for regular full time employees and 3-24 hour shifts for fire shift personnel) per fiscal year. Requests must identify and support specific business reasons why an employee was not able to be off work to avoid losing accrued leave. Special assignments, critical projects, and personnel shortages are representative of the kinds of situations that may be acceptable business reasons for approval.

Upon termination, retirement, resignation, or death, an employee shall be paid for accrued vacation leave at the rate of pay the employee was receiving at the time of separation. Only employees who have successfully completed their Evaluation Period with the City are entitled to this payout provision upon separation.

DEFINITIONS

Vacation Day – A “vacation day” is defined as an 8-hour period for all employees, other than 24-hour fire shift employees. A “vacation day” for 24-hour fire shift personnel is defined as a 12-hour period.

Accruals - Vacation accruals are based on compensable hours worked or taken at the end of a full pay period.

Vacation Accrual Schedule –

All Regular Full Time Employees (Excluding Fire & EMS Shift Employees)

Vacation Earning Schedule Pay Period Accrual

Length of Service	Accrual Amount
1 Year	3.08 Hours
2-4 Years	3.70 Hours
5-9 Years	4.62 Hours
10-14 Years	5.54 Hours
15-19 Years	6.16 Hours
20 Years	6.47 Hours
20+ Years	6.47 Hours plus 8.00 hours for each additional year past 20 years (Example 21 years of employment: $6.47 * 26 \text{ pay periods} = 168 + 8 = 176$ hours earned per year. $176 \text{ hours} / 26 \text{ pay periods} = 6.77$ hours earned per pay period).

Fire & EMS Shift Employees:

Vacation Earning Schedule Pay Period Accrual

Length of Service	Accrual Amount
1 Year	4.62 Hours
2-4 Years	5.54 Hours
5-9 Years	6.47 Hours
10-14 Years	8.31 Hours

**VACATION LEAVE
Policy #311**

April 2008

15-19 Years	9.23 Hours
20 Years	10.16 Hours
20+ Years	10.16 Hours plus 24.00 hours for each additional year past 20 years.

Separating employees - Separating employees will not be allowed to use vacation as their final day of employment unless scheduled and approved in advance by their Department Director and City Manager.

Well- Pay Benefit Conversion Request Form

April 2008

Employee Name: _____

Department: _____

This form is to be completed by each employee that is eligible to convert sick leave into paid leave hours. Those requesting sick leave conversion must be full time employees who have completed 12 months of employment with the City and have not received a final warning or disciplinary suspension within the preceding 12 months. Note that sick days used will not include paid time that employees that have been out on an approved FMLA leave of absence during the calendar year.

Sick leave shall be converted to “leave hours” based on the following chart:

Sick Days Used from 01/01 to 12/31	Eligible Sick Hours for Conversion to Leave Hours
0 days – 3 days taken (up to 24 hours)	80 sick hours to 40 leave hours
More than 3 days (over 24 hours)	Not eligible

Deadline for return to Human Resources is 5:00 P.M. on the second Friday of January each year. Forms submitted after this date will not be processed.

To Be Completed by Human Resources: (January 1, 20____ to December 31, 20____) # of Sick Hours Used: _____ # of Sick Hours Eligible to Convert to Vacation: _____
--

Please check one:

- _____ I would like to convert my eligible sick time into leave hours.
 _____ I would like to retain my sick leave as accrued.

 Employees Signature Date

Eligibility Confirmed by: _____ Human Resources Date
Processed by: _____ Human Resources Date

**SICK LEAVE
Policy #313**

April 2008

Sick leave is paid time away from work due to an employee's illness or injury that prevents him/her from working, for visits to the doctor or dentist, and to care for certain family members who are ill or injured. Employees who are unable to work due to illness or injury or other situations covered by this policy must immediately notify the appropriate supervisor in accordance with the procedures established by their department.

When possible, employees are expected to schedule planned medical appointments in a manner that minimizes disruption of workflow. Further, employees must use sick leave for its intended purpose.

Eligibility. All regular full-time employees begin accruing paid sick leave during their first full pay period of employment. Part-time, temporary, and seasonal employees do not accrue sick leave. Regular full-time employees who are in their initial evaluation period may not use paid sick leave. Sick leave shall accrue at the end of the first full pay period of employment, but an employee shall not be allowed to use any accrued sick leave until he/she has successfully completed his/her initial employment evaluation period.

Accrual Rate. 3.70 hours of sick leave will be credited to regular full-time employees each pay period. Sick leave balances will be accumulated not to exceed 960 hours. Employees will be charged for the actual time missed.

Retiring Employees. 50% of unused sick leave will be paid to employees who retire with 20 years or more of physical continual service with the City of Copperas Cove and, at the time of separation, collect a TMRS monthly retirement check.

Authorized Use of Sick Leave. Accrued sick leave may be used for absences due to the employee's own personal illness, accident or injury that prevents him/her from working, or absences when the employee is needed to care for a member of his or her immediate family who is ill or injured, excluding caring for a spouse that gave birth to a child (this falls under the section below). For purposes of this policy, "immediate family" is defined as: current spouse, children, and employee's parents. Sick leave may also be used by employees/immediate family for scheduled doctor and dentist appointments.

Authorized Use of Sick Leave to Care for a Spouse/Childbirth. A maximum of 120 sick leave hours (180 hours for shift Fire/EMS employees) may be used to care for a spouse who gives birth to a child unless longer care is needed as a result of a serious health condition as defined by the FMLA. Sick leave hours for this purpose must be used with 20 days of the birth. An employee may be entitled to longer absences as defined by the FMLA, however accrued vacation leave, comp time and personal time can be used or leave without pay if those balances are exhausted.

**SICK LEAVE
Policy #313**

April 2008

Use of Other Leave. If approved by the Department Director (and in the case of Department Directors, by the City Manager), accrued vacation leave, compensatory time, personal leave, or leave of absence without pay may be used by an employee who has successfully completed his/her initial evaluation period if the employee has no accrued sick leave. Official holidays observed by the City while an employee is on approved paid sick leave will be treated as a paid holiday, rather than a day of sick leave, if the employee is eligible for the paid holiday.

Documentation. Supervisors shall closely monitor use of sick leave. Employees requesting paid sick leave must complete a Leave Request Form and submit it to their supervisor for approval. An employee must present satisfactory proof of illness/injury whenever the employee uses sick leave for 3 or more consecutive workdays, and at any other time the employee requests use of paid sick leave if requested by the City. An employee may also be required to present satisfactory proof of family relationship and/or satisfactory proof of a family member's illness if the employee wishes to use accrued sick leave to care for a sick family member. If the employee fails to present such proof in a timely manner, use of sick leave will be disallowed and no other paid leave may be used for the absence. Abuse of sick leave will likely result in discipline up to and including termination of employment.

A supervisor shall be responsible to notify the Human Resources Department when an employee is absent due to illness for five (5) consecutive work days so the time may be evaluated for family and medical leave status.

The supervisor may require verification of the circumstances surrounding ANY use of sick leave; or require periodic medical reports concerning the employee's status and availability to return to work. The supervisor and/or human resources department may contact the physician at any time regarding any clarification he/she may have regarding medical reports. Department heads are responsible for maintaining and enforcing sick leave control within their departments.

Misuse of Sick Leave

The misuse of the sick leave benefit is grounds for disciplinary action up to and including termination. The misuse or abuse of sick leave is characterized by the examples below:

1. Misrepresenting the need to use sick leave.
2. Falsifying healthcare provider notices or reports.
3. Frequently using sick leave before or after holidays, following a payday, and/or weekends.
4. Using sick leave as soon as it has accrued.
5. Any patterns in absenteeism. The City of Copperas Cove defines a pattern as frequent, predictable and observable employee actions that repeat itself over time.

**SICK LEAVE
Policy #313**

April 2008

6. The number of incidents an employee has incurred has disrupted the workflow in the department and caused the department to incur unscheduled overtime/comp time because other employees have to carry the extra workloads. (This example excludes leave taken per the FMLA)

Family and Medical Leave Act Leave. Any absence, which qualifies for both Family and Medical Leave Act leave and sick leave, will typically be counted as both.

No Payment For Unused Sick Leave. Upon termination, resignation or other separation from employment, no payment will be made for unused sick leave, other than retirement. If, however, an employee dies while in the line of duty to the City, payment will be made for unused sick leave to either the employee's estate or the beneficiary, as designated by the employee. The amount of payment will be calculated using the employee's rate of pay at the time of death.

Outside Employment. Employees that are on approved City of Copperas Cove sick leave may not work a second job while on sick leave, even if they have written authorization from their Department to work a second job. The only exception to this policy must be obtained in writing from the Department Director and the Human Resources Department.

Failure to Report Absence/ Abuse of Sick Leave. Supervisors closely monitor use of sick leave. It is anticipated that employees using paid City sick time for their own illness/injury or that of a family member will use their sick leave time to recuperate or care for their family member. Brief limited errands, trips to the doctor, hospital stays/visits, or similar absences that are not in conflict with the reason for the employee's absence from work which take the employee away from the home are acceptable, but other personal pursuits during paid sick leave will generally be considered an abuse of this policy. Abuse of sick leave, including use of sick leave for anything other than an illness, injury, or doctor/dentist appointment as provided for in this policy, will likely result in immediate disciplinary action, up to and including termination of employment, and may also render the employee ineligible for paid sick leave benefits. Similarly, employees who fail to timely report an absence or tardiness due to illness, injury, or doctor/dentist appointment may be disqualified from using sick leave for their absence.

IF AN EMPLOYEE FAILS TO COME OR CALL INTO WORK FOR ONE DAY (24 HOURS) A "NO CALL, NO SHOW" WILL BE DECLARED AND THE EMPLOYEE WILL BE SUBJECT TO TERMINATION.

Workers' Compensation. Sick leave may not be used to cover absences covered by workers' compensation when the employee is being compensated from the workers' compensation carrier.

Well – pay benefit.

**SICK LEAVE
Policy #313**

April 2008

The well-pay incentive program is designed to reward employees for good attendance by annually converting a portion of their unused sick leave into “leave hours”.

All full time employees who have completed 12 months of employment with the City and have not received a final warning or disciplinary suspension within the preceding 12 months are eligible to participate in the well-pay program. Sick days used will not include paid time that employees that have been out on an approved FMLA leave of absence during the calendar year.

The annual conversion of sick leave to “leave hours” is based on the amount of sick leave used from January 1 through December 31. Eligible employees must submit the “Sick Leave Conversion” form to Human Resources in the time specified annually. Human Resources shall notify employees that are eligible. The effective date of the conversion shall be the February 1st of each year and employees shall have February 1st to January 31st of the following year to utilize the “leave hours” for that year or the time will be forfeited.

Sick leave shall be converted to “leave hours” based on the following chart:

Sick Days Used from 01/01 to 12/31	Eligible Sick Hours for Conversion to Leave Hours
0 days – 3 days taken (up to 24 hours)	80 sick hours to 40 leave hours
More than 3 days (over 24 hours)	Not eligible

Leave Hours Definition: Earned benefit intended to provide time away from the work environment to pursue activities that will promote the well being of the individual.

Leave Hours are not paid upon termination of employment.

HOLIDAYS
Policy #312

April 2008

The City of Copperas Cove provides paid holidays to all regular full-time, regular part-time, and evaluation period employees. Every other employee is extended the official holiday, but without pay.

The following official holidays will be observed:

New Year's Day	January
Martin Luther King, Jr. Day	January
Presidents Day	February
Good Friday	March/April
Memorial Day	May
Independence Day	July
Labor Day	September
Columbus Day	October
Veterans Day	November
Thanksgiving Day	November
Day after Thanksgiving Day	November
Christmas Eve	December
Christmas Day	December

Holidays – Depending on the employee’s schedule a holiday shall be defined as a period of eight (8) hours or (10) hours for full time or up to (6) hours for part time except in the case of 24-hour shift employees in the uniformed fire service where the holiday shall be the equivalent of 12 work hours.

Scheduling of Holidays - Holidays occurring on Saturday will normally be observed on the preceding Friday and holidays occurring on Sunday will normally be observed on the following Monday.

Calculation of Holiday Hours - Holiday pay or hours are normally calculated on an hour for hour basis, except for 24-hour fire shift personnel, where the holiday shall be the equivalent of 12 work hours.

Eligibility for Holidays - Regular full time, part-time, and evaluation period employees that are currently in a paid status, excluding workers’ compensation are eligible after the completion of one day of work.

Regular Part-Time Employees Eligible for Holiday Pay - Regular part-time employees are eligible for holiday pay for the number of hours he/she would ordinarily have been scheduled to work. Should a holiday fall on Saturday or Sunday and be observed on the preceding Friday or the following Monday, regular part-time employees shall be compensated if the rescheduled holiday is a day they would ordinarily have been scheduled to work.

**HOLIDAYS
Policy #312**

April 2008

Temporary and Seasonal Employees - Temporary and seasonal employees (either full-time or part-time) are not paid for holidays except for holiday hours actually worked.

Employees Required to Work on a Holiday – When the holiday occurs on a regularly scheduled workday, employees who are required to work shall receive “holiday earned leave” at straight time or will be “paid” for the holiday at their regular rate of pay in addition to payment for the hours worked. The decision to accrue a paid holiday as “holiday earned leave” or to receive holiday pay must be made at the time the holiday is worked and must be approved by the Department Head/Director. In no event will double pay be authorized (i.e. Holiday pay plus Personal Leave) for any day not actually worked.

Holiday Earned Leave – Employees will have until September 1st of each year in which to use the accrued “holiday earned” leave time. If the employee has not used their earned holiday by September 1st of each year, the Department Head/Director shall request approval from the City Manager to pay the employee for the holiday earned time.

Any “Holiday Earned” Leave on the books at the time of employee separation from the City will be paid to the employee at their current rate of pay.

Non-Exempt Emergency Personnel Called Back on a Holiday- Employees who are called in on an emergency basis to work a holiday for which they are not scheduled, will be paid for all hours worked on the holiday.

Employees Scheduled Off Duty on a Holiday- When the holiday and the regularly scheduled day off occur on the same day, employees scheduled off duty for the holiday will accrue one day of “holiday earned” leave (depending on their normal work schedule - 8, 10, or 12 hours) to be taken at a later date or can be paid for the holiday at the discretion of the Department Head/Director.

Ineligibility for Holiday Pay – Employees on unpaid leave are not eligible for holiday pay. Likewise, non-exempt employees who are absent without authorized leave on the day immediately preceding or following a scheduled holiday will not be paid for the holiday.

Holiday Occurring During Vacation Leave - A holiday that falls within an employee's approved vacation period will be counted as a holiday in lieu of a day of vacation.

Separating Employees - Separating employees will not be allowed to use a holiday as their final day of employment unless scheduled and approved in advance by the City Manager.

Other Religious Holidays - Employees may request an approved absence to celebrate a holiday, that is not a scheduled City holiday, but any such request is subject to the approval of the supervisor after consulting with the Human Resources Department. If

HOLIDAYS
Policy #312

April 2008

approved, the employee must charge the time to their vacation leave, compensatory time, or an excused absence without pay.

The City of Copperas Cove City Manager may alter the holiday schedule for the best interest of the public.

Definition of Holiday Earned Leave -

Employee that earns compensatory time for a holiday will accrue the compensatory time in a "Holiday Earned" pay code. This will allow the City to track Holiday compensatory time separate from regular compensatory time.

OVERTIME/COMPENSATORY TIME
Policy #135

April 2008

City overtime/compensatory pay policy conforms to overtime provisions of the Federal Fair Labor Standards Act (FLSA) and applicable state laws. Exemption from these provisions will be claimed for an employee only when it can clearly be established that the employee's duties and responsibilities meet the requirements for such exemption.

OVERTIME DEFINITION - Overtime is the time an employee physically works in excess of the allowable amount for a given work period. The work period for Fire Department shift employees as designated in accordance with FLSA regulations is 14 days; overtime is paid to non-exempt employees for hours worked in excess of 106 in the 14 day work cycle. All other non-exempt employees are paid overtime for hours worked in excess of 40 in a workweek.

Work in excess of eight (8) hours during the regular workday does not constitute overtime or comp time. Vacation, sick leave, jury duty, holidays, birthdays, compensatory time, and personal leave, or any other time away from work will not be included as hours worked for computing overtime pay. Compensatory time will be flexed whenever possible within the work week and will not be used to create overtime pay or compensatory time pay.

Overtime compensation is paid to all non-exempt employees in accordance with federal and state wage and hour requirements. Exempt employees are not paid overtime compensation and/or record and accumulate compensatory hours for overtime worked.

Overtime pay is based on total remuneration: salary + incentive pay + longevity.

Non-Exempt Employees. When the City's operating requirements or other needs cannot be met during regular working hours, non-exempt employees may be scheduled to work overtime, at the request of their supervisor. When possible, advance notification of mandatory overtime assignments will be provided. Overtime assignments will be distributed as equitably as practical to all non-exempt employees qualified to perform the required work. Refusal or other failure to work mandatory overtime may result in disciplinary action up to and including termination of employment. Overtime work is otherwise subject to the same attendance policies as straight time work. Scheduling of overtime will be at the discretion of the City. While this policy applies to all employees, Fire and Police may be governed by additional regulations as set forth in their departmental policies.

All non-exempt employees must receive their supervisor's and Department Director's prior authorization before performing any overtime work. This means employees may not begin work prior to their scheduled work day, and may not continue working beyond the end of their scheduled workday, without prior authorization from the appropriate supervisor. Similarly, employees may not work through their lunch break without prior authorization from the appropriate supervisor. On the employee's time sheet, the appropriate supervisor must also approve any overtime before the time sheet is submitted

**OVERTIME/COMPENSATORY TIME
Policy #135**

April 2008

for processing and payment. Non-exempt employees shall not remain on the work premises without authorization unless they are on duty or are scheduled to begin work within a short period of time. Non-exempt employees who work overtime without receiving proper authorization will likely be subject to disciplinary action, up to and including possible termination of employment.

At the Director's option, provided this is done within budget authority, employees may be paid overtime pay at the rate of time and a half if the department's services/operations will suffer by the employee's absence.

COMPENSATORY TIME DEFINITION - Non-exempt employees may accrue compensatory time in lieu of being paid overtime compensation. Public safety -- i.e., police officers and fire fighters are subject to a 160 hour cap on accrual of compensatory time. All other employees are subject to a cap of 80 hours. Overtime hours worked beyond the applicable cap must be paid or flexed, as described below. Compensatory time accrues at a rate of 1 1/2 hours for every hour of overtime worked by non-exempt employees (Ex: 40 hrs overtime x 1.5 = 60 Comp-Time Hours Accumulated). Comp time accruals are to be monitored at the department level and maximum hours accrued will be restricted based on the requirements of this policy. All compensatory time earned must be documented on the employee's compensatory time log.

An employee who has accrued compensatory time and requests use of such time must be permitted to use the time off within a "reasonable period" after making the request, if it does not "unduly disrupt" the work of the department. If use of requested comp time would be disruptive, the department may elect to pay the employee in lieu of approving the requested time off. The City may, at any time, elect to pay a non-exempt employee for any or the entire employee's accrued comp time. The City may also require employees to take time off in order to reduce their accrued comp time. Otherwise, compensatory time off may be used the same as leave time.

Payment of Compensatory Time. All employees who are reclassified from a non-exempt position to an exempt position will be paid all accrued comp time upon approval of the reclassification and will cease to be eligible for any additional overtime and /or comp time. Likewise, an employee who is either promoted or demoted to another non-exempt position will be paid in full for any comp time accrued before the promotion or demotion becomes effective. Upon leaving employment with the City, a non-exempt employee will be paid for unused comp time at the employee's current hourly rate.

All accrued compensatory time will be reviewed at the end of each fiscal year by each Department Director. Who in turn, will make a recommendation to the City Manager that providing available budgeted funds, pay employees any or all compensatory balances.

**OVERTIME/COMPENSATORY TIME
Policy #135**

April 2008

Flex-time Work Schedule. In situations where overtime payment is not feasible due to budgetary constraints, the Department Director or supervisor must consider flexing the employee's work schedule in an effort to minimize the need for overtime compensation. Flexing must be completed within the same workweek or work cycle that the overtime was worked and must be accurately reflected on the affected employee's time record.

Exempt Employees.

Exempt employees are those who are not covered by the overtime requirements of the FLSA. Accordingly, exempt employees are not entitled to overtime compensation for work performed beyond 40 hours in a workweek. Exempt employees are expected to put in the hours necessary to complete their assignments with an acceptable level of quality in a timely manner.

“Docking” an exempt employee's pay for a partial day's absence will be permitted only as authorized by law and approved by the Director of Human Resources.

Absent accrued paid leave time, an exempt employee need not be paid for any workweek in which he or she performs no work.

It is the policy of the City not to make improper deductions from an exempt employee's pay. Any exempt employee who believes he/she has been, or likely will be, subject to an improper pay deduction, must immediately notify the Director of Human Resources. The City will promptly reimburse an exempt employee for any improper deduction(s) and will make a good faith commitment to comply in the future.

Note 1: Police and Fire may be covered by additional regulations and departmental policies.

Note 2: This policy was revised in March of 2008 and Compensatory Time caps were established lower than current policy, which is the allowable by FLSA. As a result many departments are currently exceeding these caps. These departments have until the end of Fiscal Year 2007-08 to become compliant with the new caps. If additional time is needed City Manager authorization will be required. Likewise, as of March 8, 2008, employees below the new cap limits will be required to comply and not exceed the new cap limits.

City of Copperas Cove

City Council Agenda Item Report

April 1, 2008

Agenda Item No. I-3

Contact – Kelli Sames, Human Resources Director, 542-8922
ksames@ci.copperas-cove.tx.us

SUBJECT: Consideration and action on Ordinance No. 2008-09, amending Personnel Policy No. 311 - Vacation Leave, No. 313 - Sick Leave, No. 312 - Holidays, and No. 135 Overtime and Compensatory Time.

1. BACKGROUND/HISTORY

In competing for employees, the City of Copperas Cove looks to the benefits package as one avenue to recruit and retain employees; an indirect benefit reward given to an employee. In contrast, with increasing costs in all areas, the City must look at ways to cut costs, or at least avenues to restrain the growth of benefit costs.

The Human Resources Department has been in the process of evaluating the vacation leave, sick leave, compensatory time, and paid holiday policies. Below are recommendations for each.

2. FINDINGS/CURRENT ACTIVITY

VACATION LEAVE

The current Vacation Leave Policy #311 does not provide for the City of Copperas Cove to “buy back” vacation. Situations arise from time to time in which the employee has accrued the maximum allowed by policy and is unable to reduce their vacation due to creating a hardship on the department. When the City is unable to allow employees to utilize vacation accrued due to hardships created beyond the department and/or employee’s control, the employee is penalized unfairly. Thus, Human Resources is recommending that the City amend the policy and add the following verbiage:

“Department Directors may request, with City Manager approval, the City to buy back up to one week of vacation (40 hours for regular full time employees and 3-24 hour shifts for fire shift personnel) per fiscal year. Requests must identify and support specific business reasons why an employee was not able to be off work to avoid losing accrued leave. Special assignments, critical projects, and personnel shortages are representative of the kinds of situations that may be acceptable business reasons for approval.”

The recommend policy change will provide the City with adequate means for handling such situations as they arise, while also ensuring proper controls exist to prevent abuse.

SICK LEAVE

The current Sick Leave Policy #313 does not provide for a definition or examples of “misuse of sick leave”. The proposed policy adds this definition.

The revised policy also adds a provision that supervisors shall be responsible for notifying the Human Resources Department when an employee is absent due to illness for five (5) consecutive work days so the time may be evaluated for family and medical leave status.

Lastly, the revised policy adds a well-pay benefit that would shift the emphasis to recognize employees who do not use sick leave by giving them extra “leave hours” for not utilizing sick leave. This provides for an “attendance award” that would recognize an individual employee for continued dedication and recognition for their attendance contribution. A policy of this type would also allow employees that do not meet the criteria for the incentive the opportunity to strive to meet it the next year.

OVERTIME/COMPENSATORY TIME

This policy has been rewritten with further explanation of overtime, compensatory time, exempt employees, non-exempt employees, payment of compensatory time, and flex-time work scheduling.

In addition, reduced compensatory time caps are recommended to be added to the policy; 160 for public safety employees and 80 for all other employees. Currently the City of Copperas Cove utilizes the caps placed on compensatory time from the Federal Fair Labor Standards Act (FLSA). The FLSA caps for public safety employees are 480 hours and 240 hours for all other employees.

In reviewing current employee’s balances, as of February 25, 2008 the current compensatory time liability to the City is \$313,242.25. Human Resources has recommended to the City Manager and Director of Financial Services that lower caps be implemented so that the overall liability is reduced. By reducing the compensatory time caps the current liability would be reduced from \$313,242.25 to \$209,370.64 by the end of this fiscal year if all balances remained constant.

The proposed policy allows for departments that are exceeding the new caps to have until the end of the fiscal year to become compliant. If additional time is needed City Manager authorization will be required.

HOLIDAYS

All regular full-time and regular part-time employees are eligible for official City recognized holidays. When a holiday is observed a majority of employees are provided that day off from work. However, many employees are scheduled to work on holidays, are called in for emergency situations or have a regularly scheduled day off the same day as the holiday. In that situation employees may be paid for the holiday or may receive compensatory time for the holiday.

The current Holiday Policy #312 does not provide for the City of Copperas Cove to track holiday earned compensatory time hours. It is lumped in with regular compensatory time leave. The proposed policy creates a pay code "Holiday Earned Leave" that will allow earned holiday time to be kept in a separate leave bank than regular compensatory time. It also establishes a time frame, by September 1st of each year, in which the holiday earned must be used.

If the employee has not used their earned holiday by September 1st of each year, the Department Head/Director shall request approval from the City Manager to pay the employee for the holiday earned time.

3. FINANCIAL IMPACT

Vacation Leave - Individual department budgets will have to fund vacation that is bought-back from employees.

Sick Leave - No direct financial impact. Individual departments will have to plan and adjust personnel schedules accordingly to allow time off for employees utilizing the well-pay benefit.

Overtime/Compensatory Time - Assuming that all departments are able to reduce the compensatory limits to meet the new caps by September 20, 2008, then no additional funding will be required.

However, departments that cannot reduce the caps to the new limits can request an extension, with City Manager approval, or pay down balances to become compliant with the policy.

Department	# Employees Impacted	Total Hours to Reduce for Compliance	\$ Impact on FY 2008 Budget
Police	8	628.75	14,814.96
Animal Control	4	320.25	4,165.41
Fire	25	3,154.00	49,008.67
Building & Development Dept.	1	107.50	2,531.63

Street Department	1	22.75	283.01
Facility Maintenance	1	77.75	1,536.34
Facility Services	2	186	2,753.37
Code Enforcement	1	27.50	438.08
Golf Course	1	32	368.00
Drainage	1	108.50	1,152.86
Utilities	4	397.25	4,824.20
Water Department	5	534	9,759.88
Sewer Collection	1	97	2,195.11
Wastewater	1	144	2,717.28
Compost	1	132.75	1,777.52
Solid Waste	6	390.25	5,545.29

In addition for those employees that are currently exceeding the new caps, they will be ineligible to accrue any additional compensatory time. The department will have to flex that employees time in the same workweek or pay overtime if flexing the time is not possible. In that case, if the payment of overtime is not budgeted the department will be over budget.

HOLIDAYS

No additional financial impact. Holiday will still be accrued and paid as usual, just tracked differently as tracking separately helps reduce regular compensatory time accrual.

4. ACTION OPTIONS/RECOMMENDATION

Human Resources recommends approval of Ordinance No. 2008-09, amending the personnel policies.

ORDINANCE NO. 2008-11

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, APPROVING THE ATTACHED PERSONNEL POLICIES AND PROCEDURES OF THE CITY OF COPPERAS COVE BY REPEALING THE CURRENT PERSONNEL POLICY, NO. 120, (SALARY PROGRAM ADMINISTRATION) AND REPLACING THE EXISTING POLICY WITH A REVISED PERSONNEL POLICY, NO. 120, (SALARY PROGRAM ADMINISTRATION) AND RATIFYING THE REMAINING SECTIONS OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, The City of Copperas Cove has not updated this ordinance since March 11, 2008.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS:

Section 1.

That the Personnel Policies and Procedures Manual dated September 1, 2006, hereinafter set forth and included with this Ordinance as Exhibit "A" is hereby amended by repealing the current personnel policy, No. 120, (Salary Program Administration) and replacing the existing policy with a revised personnel policy, No. 120, (Salary Program Administration) correctly shown by the attached Exhibit "A";

Section 2.

That the remaining sections of the said Personnel Policies and Procedures Manual are hereby ratified, and shall remain in full force and effect;

Section 3.

That any outstanding Personnel Polices and Procedures Manuals other than Exhibit "A" either in the form of a manual or otherwise written or oral in nature, are hereby rescinded and are no longer of any force and effect;

Section 4.

That any additions, deletions or other amendments to the Personnel Polices and Procedures Manual shall be made in a manner similar to process by which this manual is originally approved and only after compliance with the Texas Open Meetings Act and approved by the City Council of the City of Copperas Cove.

Section 5.

That should any section, clause, or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this ordinance or any other ordinance of the city as a whole or any part thereof, other than the part so declared to be invalid.

Section 6.

That this ordinance shall be effective April 1, 2008.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COPPERAS COVE. TEXAS, this 1st day of April 2008, such meeting held in compliance with the Open Meeting Act (Texas Government Code, Chapter 551.001 et.seq.), at which a quorum was present and voting.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary

APPROVED AS TO FORM:

James R. Thompson, City Attorney

SALARY PROGRAM ADMINISTRATION
Policy #120

April 2008

This policy applies to regular, salaried positions, full-time and part-time, exempt and non-exempt personnel.

The City strives to pay salaries competitive with those in our community, recognizing individual effort and contribution to the City's success. Determination of salary policy is the responsibility of the City Manager, Human Resources Director, Assistant City Manager/Director of Finance, and must be approved by the City Council. The Human Resources Department handles the administration.

SALARY PROGRAM ELEMENTS

A. Salary Ranges. Each position has been assigned a salary range. Within this framework, an employee's salary will be related to demonstrated performance. Employees will receive a salary that is within the range limits of the applicable position.

1. Range Minimum. In most cases, the minimum of the appropriate salary range will be paid to all qualified employees. No person is to be offered a salary that is below the minimum, or above the midpoint, of the salary range for the job. Salary offers may be made, with City Manager approval, up to midpoint of the salary range. Salary offers are to be based on the required qualifications of the position. In addition they must be consistent in relation to other offers made and to the salaries paid to current employees in that same position.

2. Range Maximum. The maximum of a salary range normally provides an upper limit of what employees may be paid. However, it is not an absolute limit, and the condition described in Section A.3 may allow an employee to be paid above the maximum.

3. Red Circle Salary. If an employee is paid over the maximum of the range for the classification, the salary will not be reduced. Rather, the employee will ordinarily be considered ineligible for an increase in pay (red circled) until an adjustment in the salary structure or a promotion to a higher position brings the rate within the established range for the position.

B. Salary Review Frequency.

Merit Salary Increases. Reviews for merit salary increases are conducted once a year, normally during the budget process. They will range in percentages of base salary as determined through the merit budgeting process. Salary increases are not granted automatically, but only as a result

SALARY PROGRAM ADMINISTRATION
Policy #120

April 2008

of demonstrated performance, documented by a job-related performance appraisal.

Across the Board Raises or Cola Allowances. An "Across the Board" or "COLA Allowance" may be recommended by the City Manager and approved by the City Council for employees. If this occurs then the salary ranges on the pay scale will be adjusted accordingly.

C. Promotion Increases: A promotion is a change in status for an employee to a higher paid position. Salary increases generally are granted immediately upon promotion. Employees promoted into a higher paying position will begin at the minimum step of the salary range for the new position. If their current salary is above the minimum step for the new position, the employee's salary will be increased up to 5% of prior base salary. A lesser amount may be justified if the employee has received a substantial increase within the last six months or a significant learning period is involved.

MAINTENANCE OF SALARY STRUCTURE

Positions included in the City pay structure will be reviewed by the Human Resources Department each year to determine if a recommendation needs to be made to the City Manager and Assistant City Manager/ Director of Finance for change. Adjustments will be made to the structure, as required, after approval from the City Manager, Assistant City Manager/Director of Finance and the City Council.

City of Copperas Cove 2007/2008
Position Listing and Salary Ranges by Department
Updated 3-11-2008

Fund #	Dept #	No. EE's	Department Name	Position Title	Hourly Salary Minimum	Hourly Salary Maximum
01	22	1	City Manager	Secretary to the City Manager	\$ 13.17	\$ 19.40
01	22	1	City Manager	City Manager	Unclassified	Unclassified
01	23	1	City Secretary	Deputy City Secretary	\$ 13.61	\$ 20.05
01	23	1	City Secretary	City Secretary	Unclassified	Unclassified
01	31	2	Finance	Accounting Technician	\$ 12.63	\$ 18.60
01	31	1	Finance	Senior Accountant	\$ 17.35	\$ 25.56
01	31	1	Finance	Budget Analyst	\$ 21.81	\$ 32.13
01	31	1	Finance	Purchasing Officer	\$ 23.59	\$ 34.75
01	31	1	Finance	Director of Financial Services	Unclassified	Unclassified
01	34	1	Human Resources	Human Resources Coordinator	\$ 12.78	\$ 18.82
01	34	1	Human Resources	Human Resources Director	Unclassified	Unclassified
01	35	1	Information Systems	Information Systems Specialist I	\$ 13.46	\$ 19.83
01	35	1	Information Systems	Information Systems Specialist II	\$ 21.15	\$ 31.15
01	35	1	Information Systems	Director of Information Systems	Unclassified	Unclassified
01	41	5	Municipal Court	Clerk for Court	\$ 10.47	\$ 15.42
01	41	1	Municipal Court	Assistant Supervisor of Municipal Court	\$ 12.44	\$ 18.32
01	41	1	Municipal Court	Supervisor - Court	\$ 20.00	\$ 29.46
03	41	1	Municipal Court	Bailiff	\$ 15.81	\$ 23.29
01	42	2	Police	Senior Records Clerk	\$ 10.47	\$ 15.42
01	42	1	Police	Administrative Assistant	\$ 11.48	\$ 16.91
01	42	1	Police	Administrative Assistant Training and Evidence	\$ 11.48	\$ 16.91
01	42	12	Police	Police Communications/Operator	\$ 11.50	\$ 16.94
01	42	1	Police	Executive Secretary	\$ 13.17	\$ 19.40
01	42		Police	Patrol Officer - Non Certified in Academy	\$ 12.76	-
01	42		Police	Patrol Officer - Certified in FTP	\$ 14.25	-
01	42	36	Police	Patrol Officer - Certified	\$ 17.17	\$ 25.29
01	42	5	Police	Police Corporal	\$ 21.08	\$ 31.05
01	42	8	Police	Police Sergeant	\$ 22.80	\$ 33.58
01	42	3	Police	Police Lieutenant	\$ 25.85	\$ 38.08
01	42	1	Police	Police Deputy Chief	\$ 29.20	\$ 43.01
01	42	1	Police	Chief of Police	Unclassified	Unclassified
01	4250	1	Police	Public Information Officer	\$ 20.67	\$ 30.45
01	43	1	Animal Control	Clerk	\$ 9.27	\$ 13.65
01	43	2	Animal Control	Animal Control Officer	\$ 10.29	\$ 15.16
01	43	1	Animal Control	Supervisor - Animal Control	\$ 15.00	\$ 22.10
01	44	33	Fire	Firefighter (2904 hour work year)	\$ 11.24	\$ 16.56
01	44	1	Fire	Administrative Assistant	\$ 11.48	\$ 16.91
01	44	0.5	Fire	Administrative Assistant/Support Services	\$ 11.48	\$ 16.91
01	44	6	Fire	Fire Lieutenant (2904 hour work year)	\$ 13.42	\$ 19.77
01	44	3	Fire	Fire Captain (2904 hour work year)	\$ 14.65	\$ 21.58
01	44	1	Fire	Support Services Officer (2904 hour work year)	\$ 11.24	\$ 16.56
01	44	3	Fire	Fire Battalion Chief (2904 hour work year)	\$ 17.46	\$ 25.72
01	44	1	Fire	Fire Inspector/Lieutenant	\$ 18.74	\$ 27.60
01	44	1	Fire	Fire Marshal	\$ 20.45	\$ 30.12
01	44	1	Fire	Training/EMS Chief	\$ 24.37	\$ 35.90
01	44	1	Fire	Deputy Fire Chief /Emergency Management	\$ 26.56	\$ 39.12
01	44	1	Fire	Fire Chief	Unclassified	Unclassified
01	4420	1	Fire	Emergency Management Coordinator	\$ 19.98	\$ 29.43
01	51	1	Engineering	Public Improvements Inspector	\$ 19.61	\$ 28.89

City of Copperas Cove 2007/2008
Position Listing and Salary Ranges by Department
Updated 3-11-2008

Fund #	Dept #	No. EE's	Department Name	Position Title	Hourly Salary Minimum	Hourly Salary Maximum
01	51	1	Engineering	Projects Director/City Engineer	Unclassified	Unclassified
01	52	1.5	Building/Development Svcs	Receptionist	\$ 9.22	\$ 13.58
01	52	1	Building/Development Svcs	Administrative Assistant	\$ 11.48	\$ 16.91
01	52	1	Building/Development Svcs	Inspector	\$ 15.84	\$ 23.33
01	52	1	Building/Development Svcs	Inspector Senior	\$ 18.02	\$ 26.54
01	52	1	Building/Development Svcs	Chief Building Official	\$ 28.61	\$ 42.14
01	53	3	Street	Light Equipment Operator	\$ 10.02	\$ 14.76
01	53	2	Street	Heavy Equipment Operator	\$ 11.50	\$ 16.94
01	53	1	Street	Traffic Control Technician	\$ 11.50	\$ 16.94
01	53	1	Street	Lead Heavy Equipment Operator	\$ 14.00	\$ 20.62
01	54	7	Parks & Recreation	Laborer	\$ 9.27	\$ 13.65
01	54	2	Parks & Recreation	Light Equipment Operator	\$ 10.02	\$ 14.76
01	54	1	Parks & Recreation	Recreation/Aquatics Specialist	\$ 11.88	\$ 17.50
01	54	1	Parks & Recreation	Supervisor Parks	\$ 15.00	\$ 22.10
01	54	1	Parks & Recreation	Facilities/Senior Specialist	\$ 15.00	\$ 22.10
01	54	1	Parks & Recreation	Recreation Superintendent	\$ 20.29	\$ 29.89
01	54	1	Parks & Recreation	Director of Community Services	Unclassified	Unclassified
04	54	2	Parks & Recreation	Recreation Specialist	\$ 11.88	\$ 17.50
06	54	1	Parks & Recreation	Light Equipment Operator	\$ 10.02	\$ 14.76
01	55	1	Fleet Services	Parts Technician/Clerk	\$ 9.27	\$ 13.65
01	55	2	Fleet Services	Mechanic	\$ 13.18	\$ 19.41
01	55	1	Fleet Services	Lead Mechanic	\$ 15.09	\$ 22.23
01	55	1	Fleet Services	Supervisor - Fleet Services	\$ 19.06	\$ 28.08
01	56	0.5	Public Works	Street and Drainage Superintendent	\$ 20.90	\$ 30.79
01	57	3	Facility Maintenance	Custodian	\$ 8.71	\$ 12.83
01	57	2	Facility Maintenance	Facility Maintenance	\$ 12.12	\$ 17.85
01	61	1	Planning	Administrative Assistant	\$ 11.48	\$ 16.91
01	61	1	Planning	GIS Technician	\$ 18.50	\$ 27.25
01	61	1	Planning	Director of Development Services	Unclassified	Unclassified
01	71	3	Library	Library Assistant I	\$ 9.59	\$ 14.13
01	71	0.5	Library	Library Assistant II	\$ 11.22	\$ 16.53
01	71	3	Library	Library Assistant III	\$ 12.79	\$ 18.84
01	71	0.5	Library	Outreach Specialist/Library Assistant	\$ 12.79	\$ 18.84
01	71	1	Library	Reference Assistant/Electronic Tech Coord III	\$ 13.30	\$ 19.59
01	71	1	Library	Assistant Director Library/Reference	\$ 18.30	\$ 26.96
01	71	1	Library	Director Library	Unclassified	Unclassified
01	72	0.5	Code & Health	Administrative Assistant/Support Services	\$ 11.48	\$ 16.91
01	72	2	Code & Health	Code Enforcement Officer	\$ 14.01	\$ 20.64
01	72	1	Code & Health	Health Inspector	\$ 14.01	\$ 20.64
09	74	2	Golf Course	Food & Beverage Worker	\$ 8.18	\$ 12.05
09	74	1.5	Golf Course	Golf Course Attendant	\$ 8.18	\$ 12.05
09	74	1	Golf Course	Clerk	\$ 9.27	\$ 13.65
09	74	1	Golf Course	Golf Shop Assistant	\$ 9.27	\$ 13.65
09	74	4.5	Golf Course	Laborer	\$ 9.27	\$ 13.65
09	74	0.5	Golf Course	Golf Course Mechanic	\$ 11.50	\$ 16.94
09	74	1	Golf Course	Heavy Equip Operator	\$ 11.50	\$ 16.94
09	74	1	Golf Course	Superintendent Golf Course	\$ 21.08	\$ 31.05
09	74	1	Golf Course	General Manager	\$ 28.56	\$ 42.07
05	76	5	Drainage Utility	Laborer	\$ 9.27	\$ 13.65
05	76	1	Drainage Utility	Supervisor Drainage	\$ 15.00	\$ 22.10

City of Copperas Cove 2007/2008
Position Listing and Salary Ranges by Department
Updated 3-11-2008

Fund #	Dept #	No. EE's	Department Name	Position Title	Hourly Salary Minimum	Hourly Salary Maximum
05	76	0.5	Drainage Utility	Street and Drainage Superintendent	\$ 20.90	\$ 30.79
02	80	1	Water & Sewer Admin	Executive Secretary	\$ 13.17	\$ 19.40
02	80	1	Water & Sewer Admin	Public Works Director	Unclassified	Unclassified
02	81	3	Utility Administration	Clerk/Cashier	\$ 9.78	\$ 14.41
02	81	4	Utility Administration	Meter Reader/Customer Service	\$ 9.78	\$ 14.41
02	81	1	Utility Administration	Senior Clerk/Cashier	\$ 10.78	\$ 15.88
02	81	1	Utility Administration	Billing Technician	\$ 11.79	\$ 17.37
02	81	1	Utility Administration	Supervisor - Utilities	\$ 19.60	\$ 28.87
02	82	1	Water Distribution	Heavy Equipment Operator	\$ 11.50	\$ 16.94
02	82	5	Water Distribution	Operator II Water Distribution	\$ 11.86	\$ 17.47
02	82	1	Water Distribution	Supervisor Installation	\$ 15.00	\$ 22.10
02	82	1	Water Distribution	Supervisor Pump Maintenance	\$ 15.00	\$ 22.10
02	82	1	Water Distribution	Superintendent Water Distribution	\$ 19.51	\$ 28.74
02	83	5	Sewer Collection	Operator II Sewer Collection	\$ 11.86	\$ 17.47
02	83	1	Sewer Collection	Assistant Supervisor/Operator III Sewer Coll	\$ 15.00	\$ 22.10
02	83	1	Sewer Collection	Superintendent - Sewer Collection	\$ 19.51	\$ 28.74
02	84	6	Wastewater Treatment	Operator II Wastewater	\$ 11.86	\$ 17.47
02	84	1	Wastewater Treatment	Laboratory Technician Wastewater	\$ 13.32	\$ 19.62
02	84	3	Wastewater Treatment	Chief Plant Operator Wastewater	\$ 17.27	\$ 25.44
02	84	1	Wastewater Treatment	Laboratory Technician - Senior Wastewater	\$ 17.27	\$ 25.44
02-01	84	2	Composting	Heavy Equipment Operator	\$ 11.50	\$ 16.94
02-01	84	1	Composting	Supervisor Composting	\$ 15.00	\$ 22.10
03	90	1	Solid Waste Collection	Administrative Assistant	\$ 11.48	\$ 16.91
03	90	1	Solid Waste Collection	Supervisor Solid Waste - Operations	\$ 15.00	\$ 22.10
03	90	1	Solid Waste Collection	Supervisor Solid Waste - Recycling/Admin	\$ 15.00	\$ 22.10
03	90	1	Solid Waste Collection	Solid Waste Superintendent	\$ 21.34	\$ 31.43
03	91	11	Solid Waste Collection	Driver	\$ 11.50	\$ 16.94
03	91	1	Solid Waste Collection	Mechanic/Relief Diver	\$ 13.18	\$ 19.41
03	92	0.5	Solid Waste Collection	Clerk/Dispatcher	\$ 9.27	\$ 13.65
03	92	1	Solid Waste Disposal	Clerk - Scale Operator	\$ 9.27	\$ 13.65
03	92	3	Solid Waste Disposal	Heavy Equipment Operator	\$ 11.50	\$ 16.94

City of Copperas Cove City Council Agenda Item Report

April 1, 2008

Agenda Item No. I-4

Contact – Kelli Sames, Human Resources Director, 542-8922
ksames@ci.copperas-cove.tx.us

SUBJECT: Consideration and action on Ordinance No. 2008-11, amending Personnel Policy No. 120, Salary Program Administration.

1. BACKGROUND/HISTORY

The City of Copperas Cove currently has in effect Personnel Policy No. 120, Salary Program Administration. This policy establishes the standards and guidelines for the City of Copperas Cove's employee pay plan. From time to time City Staff makes recommendations to change this pay plan. In cases where changes are required to this policy, City Council's approval is required. This policy is attached for review.

2. FINDINGS/CURRENT ACTIVITY

City Staff has been evaluating the current employee organizational structure for the Finance and Planning Departments and the following changes are proposed below.

- **Finance Department**

Change the title of Assistant Director of Finance/Purchasing Officer to Purchasing Officer.

- **Planning Department**

Change the title of City Planner to Director of Development Services.

3. FINANCIAL IMPACT

None.

4. ACTION OPTIONS/RECOMMENDATION

Human Resources recommends approval of Ordinance No. 2008-11, amending the personnel policies.



City of Copperas Cove

"The City Built for Family Living"

Finance Department

March 24, 2008

Mayor and City Council Members:

The Finance Department is pleased to submit the Monthly Financial Report for the month of February 2008. The fiscal year 2006-07 annual audit by Lott, Vernon & Company, P.C. is complete and the Comprehensive Annual Financial Report will be printed and distributed to City Council soon. The report will be presented to City Council at the March 25, 2008 Council meeting.

Year-to-date revenues through February 2008 are exceeding expenditures in all of the major funds of the City with the exception of the Golf Course Fund. Operating expenses at the Golf Course are exceeding the operating revenues by \$66,468, however, due to a transfer from the General Fund in October for \$59,072, the total Fund expenses exceed the total Fund revenues by only \$7,396.

The key economic indicators provide some insight for the financial activity of the City. The number of building permits issued, sales tax collections, and the number of utility accounts established continue to show an increase from the prior year. The unemployment rate in the Killeen/Fort Hood region was down slightly in January 2008, data is not available for February 2008 as of this report date. The hotel occupancy tax collections are below the prior year collections. The hotel occupancy tax collections continue to be evaluated to determine if there is a timing issue with the reporting of revenue from the various hotels. City staff will continue to monitor revenues and expenditures in all City funds and key economic indicators.

We hope the regular monitoring of the City's financial position will continue to provide the City Council with information that is useful for making sound policy decisions.

Respectfully submitted,

Wanda Bunting, CPA
Director of Financial Services



Monthly Newsletter - February 2008

Performance

As of February 29, 2008

Current Invested Balance	\$6,294,186,095.49
Weighted Average Maturity (1)	17 Days
Weighted Average Maturity (2)	85 Days
Net Asset Value	1.000401
Total Number of Participants	609
Management Fee on Invested Balance	0.12%*
Interest Distributed	\$17,219,416.46
Management Fee Collected	\$249,591.10
% of Portfolio Invested Beyond 1 Year	8.86%
Standard & Poor's Current Rating	AAAM

February Averages

Average Invested Balance	\$6,241,940,362.82
Average Monthly Yield, on a simple basis	3.4224%
Average Weighted Average Maturity (1)*	17 Days
Average Weighted Average Maturity (2)*	82 Days

Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

* The maximum management fee authorized for the TexSTAR Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the TexSTAR co-administrators at any time as provided for in the TexSTAR Information Statement.

Rates reflect historical information and are not an indication of future performance.

New Participants

We would like to welcome the following entities who joined the TexSTAR program in February 2008:

- ★ City of Fort Stockton
- ★ Brazoria Fort Bend County MUD 1
- ★ Argyle ISD
- ★ Travis County Healthcare District
- ★ Pecos-Barstow-Toyah ISD
- ★ Northeast Hospital Authority

Holiday Reminder

Please note that in observance of the Good Friday holiday, **TexSTAR will be closed on Friday, March 21, 2008**. Notification of any early transaction deadlines on the day preceding this holiday will be sent by email to the primary contact on file for all TexSTAR participants.

Economic Commentary

Economic data point to continued anemic growth. The estimated probability of recession increased to 45% as consumer confidence plummeted, labor market conditions softened, stock prices fell, housing problems continued, and credit issues worsened. In addition, both gas prices and mortgage rates shifted upward again as inflation firmed. The pace of layoffs accelerated, with the four-week average of initial jobless claims climbing to 360,500 at the end of January. The unemployment rate is expected to tick up to 5.0% as consumers find jobs more difficult to obtain. Existing home sales edged down 0.4% in January while new home sales slid 2.8% in the same period. Also inventories of existing homes, which make up almost 90% of total homes for sale, bounced up 5.5%.

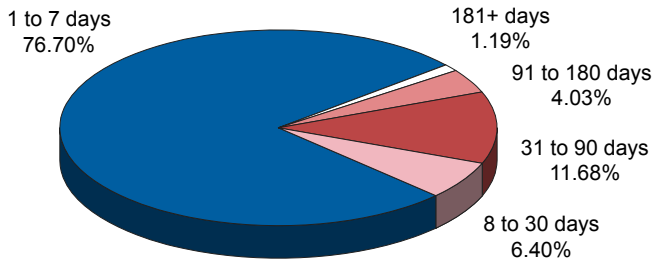
Inflation news turned unfavorable last month as broad-based firming was reported in both the core PCE and core CPI. The January core CPI rose a higher-than-expected 0.3%, pushing its year-on-year increase to an elevated 2.5%. In the markets' continued flight to quality, Treasury yields plummeted further and the curve steepened by 18 bps as the spread between two and five-year Treasury notes ended February at +85 bps. Two-year yields ended the month down 48 bps at 1.62% and five-year yields ended down 29 bps at 2.47%. Meanwhile, LIBOR rates declined slightly, with one-month and twelve-month rates lower by 3 bps and 14 bps at 3.11% and 2.71%, respectively.

The Fed is expected to cut rates by 50 bps at the March 18th FOMC meeting. Despite the uptrend in inflation, the Fed's focus remains on economic growth, and they will most likely cut rates as much as necessary to stimulate growth. The economy should grow at a 1.0% annualized pace in the first quarter, boosted by strength in net exports. Solid economic growth is anticipated in the second half of the year as the effects of the federal stimulus package and the lagged effects of monetary policy take effect.

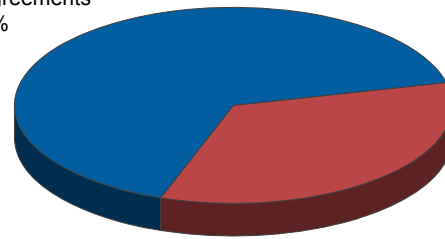
For more information about TexSTAR, please visit our web site at www.texstar.org.

Information at a Glance

Portfolio by Type of Investment As of February 29, 2008



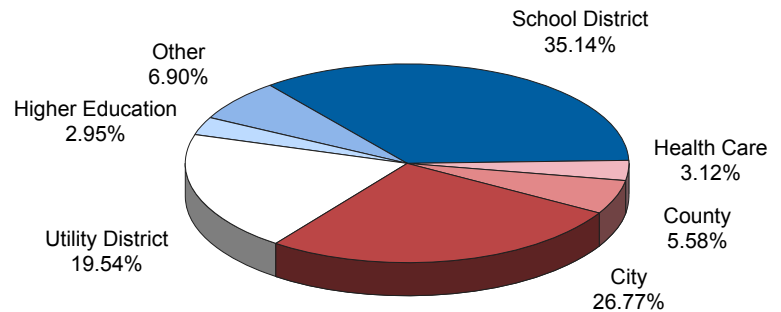
Repurchase Agreements
66.11%



Agencies
33.89%

Portfolio by Maturity As of February 29, 2008

Distribution of Participants by Type As of February 29, 2008



Performance

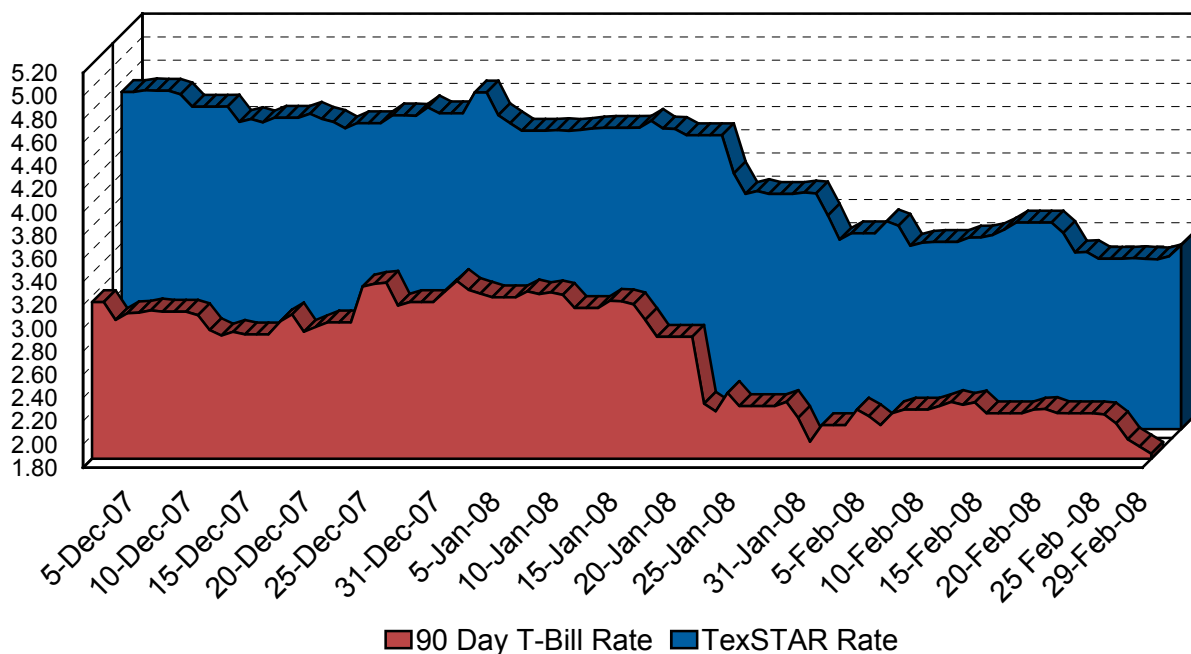
Month	Average Rate	Book Value	Market Value	Net Asset Value	WAM (1)*	WAM (2)*	Number of Participants
Feb 08	3.4224%	\$ 6,294,186,095.49	\$ 6,296,863,425.91	1.000401	17	82	609
Jan 08	4.2033%	5,919,661,192.90	5,923,891,294.00	1.000714	22	80	603
Dec 07	4.5430%	5,180,414,831.71	5,181,584,153.60	1.000202	21	79	594
Nov 07	4.6975%	4,999,671,312.52	5,000,767,637.47	1.000190	18	79	591
Oct 07	4.9007%	4,793,406,663.48	4,794,712,410.18	1.000272	19	84	584
Sep 07	5.1175%	5,101,146,389.66	5,102,374,857.54	1.000240	20	78	573
Aug 07	5.2540%	5,117,776,256.51	5,118,532,127.32	1.000118	16	42	567
Jul 07	5.2829%	5,037,425,646.08	5,037,616,062.72	1.000037	18	22	554
Jun 07	5.2883%	4,850,271,396.79	4,850,377,392.01	1.000014	18	25	543
May 07	5.2613%	4,809,313,042.18	4,809,314,578.92	1.000000	11	20	531
Apr 07	5.2803%	5,032,146,136.61	5,031,747,141.26	0.999920	13	23	523
Mar 07	5.2999%	5,200,629,725.85	5,200,442,100.26	0.999957	11	26	513
Feb 07	5.2903%	5,608,621,555.72	5,608,663,678.19	1.000007	12	31	505

Portfolio Asset Summary as of February 29, 2008

	Book Value	Market Value
Uninvested Balance	\$ 967.04	\$ 967.04
Accrual of Interest Income	7,105,105.62	7,105,105.62
Interest and Management Fees Payable	(17,263,014.51)	(17,263,014.51)
Payable for Investment Purchased	(15,000,000.00)	(15,000,000.00)
Repurchase Agreements	4,179,793,000.00	4,179,793,000.00
Government Securities	2,139,550,037.34	2,142,227,367.76
Total	\$ 6,294,186,095.49	\$ 6,296,863,425.91

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of TexSTAR. The only source of payment to the Participants are the assets of TexSTAR. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact TexSTAR Participant Services.

TexSTAR versus 90-Day Treasury Bill



Daily Summary for February 2008

Date	Mny Mkt Fund Equiv. [SEC Std.]	Daily Allocation Factor	TexSTAR Invested Balance	Market Value Per Share	WAM Days (1)*	WAM Days (2)*
1-Feb-08	3.4863%	0.000095517	6,001,200,908.16	1.000665	19	83
2-Feb-08	3.4864%	0.000095517	6,001,200,908.16	1.000665	19	83
3-Feb-08	3.4864%	0.000095517	6,001,200,908.16	1.000665	19	83
4-Feb-08	3.5905%	0.000098371	6,087,906,760.44	1.000617	19	81
5-Feb-08	3.5516%	0.000097304	6,152,861,176.60	1.000608	18	80
6-Feb-08	3.3800%	0.000092603	6,220,981,868.15	1.000598	18	79
7-Feb-08	3.4061%	0.000093319	6,247,017,684.98	1.000577	17	81
8-Feb-08	3.4129%	0.000093503	6,334,441,448.17	1.000544	16	79
9-Feb-08	3.4129%	0.000093503	6,334,441,448.17	1.000544	16	79
10-Feb-08	3.4129%	0.000093503	6,334,441,448.17	1.000544	16	79
11-Feb-08	3.4505%	0.000094533	6,372,764,118.26	1.000525	16	78
12-Feb-08	3.4516%	0.000094564	6,389,289,180.39	1.000510	16	81
13-Feb-08	3.4713%	0.000095105	6,349,435,552.35	1.000503	16	82
14-Feb-08	3.5191%	0.000096414	6,353,279,160.89	1.000487	15	81
15-Feb-08	3.5798%	0.000098077	6,225,923,069.39	1.000468	16	81
16-Feb-08	3.5798%	0.000098077	6,225,923,069.39	1.000468	16	81
17-Feb-08	3.5798%	0.000098077	6,225,923,069.39	1.000468	16	81
18-Feb-08	3.5798%	0.000098077	6,225,923,069.39	1.000468	16	81
19-Feb-08	3.4898%	0.000095610	6,190,976,137.78	1.000455	16	82
20-Feb-08	3.3215%	0.000091000	6,186,634,497.54	1.000441	16	85
21-Feb-08	3.3260%	0.000091124	6,277,891,368.60	1.000425	15	83
22-Feb-08	3.2678%	0.000089528	6,265,724,692.94	1.000400	15	83
23-Feb-08	3.2678%	0.000089528	6,265,724,692.94	1.000400	15	83
24-Feb-08	3.2678%	0.000089528	6,265,724,692.94	1.000400	15	83
25-Feb-08	3.2732%	0.000089678	6,296,654,987.63	1.000386	17	84
26-Feb-08	3.2662%	0.000089484	6,290,367,870.77	1.000379	18	85
27-Feb-08	3.2622%	0.000089375	6,279,245,765.77	1.000386	18	85
28-Feb-08	3.2881%	0.000090085	6,318,984,870.67	1.000388	18	86
29-Feb-08	3.3826%	0.000092674	6,294,186,095.49	1.000401	17	85
Average	3.4224%	0.000093765	6,241,940,362.82		17	82

TexSTAR Participant Services
First Southwest Asset Management, Inc.
325 North St. Paul Street, Suite 800
Dallas, Texas 75201



TexSTAR Board Members

<i>William Chapman</i>	<i>Central Texas Regional Mobility Authority</i>	<i>Governing Board President</i>
<i>Nell Lange</i>	<i>City of Frisco</i>	<i>Governing Board Vice President</i>
<i>Melinda Garrett</i>	<i>Houston ISD</i>	<i>Governing Board Treasurer</i>
<i>Michael Bartolotta</i>	<i>First Southwest Company</i>	<i>Governing Board Secretary</i>
<i>Will Williams</i>	<i>JP Morgan Chase</i>	<i>Governing Board Asst. Sec./Treas.</i>
<i>Hardy Browder</i>	<i>City of Cedar Hill</i>	<i>Advisory Board</i>
<i>Oscar Cardenas</i>	<i>Northside ISD</i>	<i>Advisory Board</i>
<i>Scott Christensen</i>	<i>Reid Road MUD No. 1</i>	<i>Advisory Board</i>
<i>Ramiro Flores</i>	<i>Harlingen CISD</i>	<i>Advisory Board</i>
<i>Stephen Fortenberry</i>	<i>McKinney ISD</i>	<i>Advisory Board</i>
<i>Monte Mercer</i>	<i>North Central TX Council of Government</i>	<i>Advisory Board</i>
<i>Len Santow</i>	<i>Griggs & Santow</i>	<i>Advisory Board</i>
<i>S. Renee Tidwell</i>	<i>Tarrant County</i>	<i>Advisory Board</i>

For more information contact TexSTAR Participant Services ★ 1-800-TEX-STAR ★ www.texstar.org



City of Copperas Cove
Financial Summary by Fund
February 29, 2008

GENERAL FUND

- January year-to-date revenues are above January year-to-date expenditures by \$3,086,023.
- Property tax revenue for February 2008 is \$557,020 or 7.7% above \$517,152 collected last February. Year-to-date property tax revenue is at \$5,773,530 or 9.2% above prior year-to-date collections.
- Year-to-date sales tax revenue of \$974,470 reflects a \$52,238 or 5.7% increase from the prior fiscal year.
- Year-to-date franchise tax revenue of \$182,117 is \$7,284 or 4.2% above prior year-to-date revenue.
- Interest earnings year-to-date of \$78,999 decreased by \$12,211 or 13.4% below the prior fiscal year-to-date earnings.
- General Fund expenditures year-to-date of \$5,380,930 reflect an increase of 9.1% over prior year-to-date expenditures of \$4,933,797.

WATER & SEWER FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$186,438
- Water revenue totaled \$314,113 for the month. This is \$16,930 or 5.7% above February 2007. Year-to-date water revenue is at \$1,784,817 which is below the prior year-to-date revenue by \$9,506 or 0.5%.
- Sewer revenue totaled \$275,184 for the month. This is \$12,456 or 4.7% above February 2007. Year-to-date sewer revenue is at \$1,405,854 which is above the prior year-to-date revenue by \$19,922 or 1.4%.
- Interest earnings year-to-date of \$45,633 decreased by \$13,570 or 22.9% below the prior fiscal year-to-date earnings.
- Connect fees produced revenues of \$4,590 for the month; \$27,105 year-to-date.
- Water tap fees year-to-date are \$32,357; \$17,734 below prior year-to-date. Sewer tap fees year-to-date are \$9,390; \$2,540 below prior year-to-date.
- Expenses year-to-date of \$3,207,863 reflect an increase of 10.7% over prior year-to-date expenses of \$2,896,657. The expenses for the current year are well within the budget for FY 2007-08.

SOLID WASTE FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$47,294.
- Sanitary landfill fees for February 2008 are \$28,956; compared to \$26,250 in February 2007. Year-to-date revenue is at \$147,549 which is below the prior year-to-date revenue by \$13,669 or 8.5%.
- Refuse collection fees are \$193,309 for the month; an increase of \$9,164 over February 2007. Year-to-date revenue is at \$965,686 which is above the prior year-to-date revenue by \$48,791 or 5.3%.
- Interest earnings year-to-date of \$14,164 increased by \$1,954 or 16.0% above the prior fiscal year-to-date earnings.
- Expenses year-to-date of \$1,174,826 reflect an increase of 26.8% above prior year-to-date expenses of \$926,676.

DRAINAGE UTILITY FUND

- Year-to-date revenues are exceeding year-to-date expenses by \$61,949.
- Drainage Utility fees for the month of February are \$69,145; an increase of \$1,168 or 1.7 % above February 2007. Year-to-date revenue is at \$346,021 which is above the prior year-to-date revenue by \$10,026 or 3.0%.
- Expenses year-to-date of \$300,666 reflect an increase of 61.1% above prior year-to-date expenses of \$186,637. The expenses for the current year are well within the budget for FY 2007-08.

GOLF COURSE FUND

- Total year-to-date revenues are below year-to-date expenses by \$7,396. In addition, the year-to-date operating revenues include a transfer from the General Fund for \$59,072. Net of the transfer, expenses are exceeding revenues year-to-date by \$66,468.
- Revenues for the month of February totaled \$54,149, compared to revenues for February 2007 of \$90,608. In February 2007, the revenues included a transfer from the General Fund for \$55,000. Year-to-date operating revenues are at \$207,276 which is above the prior year-to-date operating revenues by \$40,324 or 24.2%.
- Expenses for the month are \$55,417; \$3,938 above February 2007 expenses. Year-to-date expenses of \$273,744 reflect a decrease of 5.9% below prior year-to-date expenses of \$291,005.

City of Copperas Cove
Economic Indicators Summary
February 29, 2008

Unemployment Rate

- The unemployment rate for the month of January 2008 was 4.9%, which is slightly down from January 2007, recorded at 5.0%. February data is not available as of this report date.

Sales Tax Collections

- Sales tax collections for February 2008 totaled \$250,728, compared to February 2007 collections of \$234,097. Year to date, sales tax collections are at \$974,470 or 5.7% above prior year-to-date collections of \$922,232.
- In addition to the City sales tax collected above, \$487,235 year-to-date was paid to the Copperas Cove Economic Development Corporation.

Water Customers

- During the month of February 2008 there were 13,105 active water accounts.
- February 2007 recorded 11,271 water customers, which indicates a 16.3% or 1,834 increase in water customers from February 2007 to February 2008.

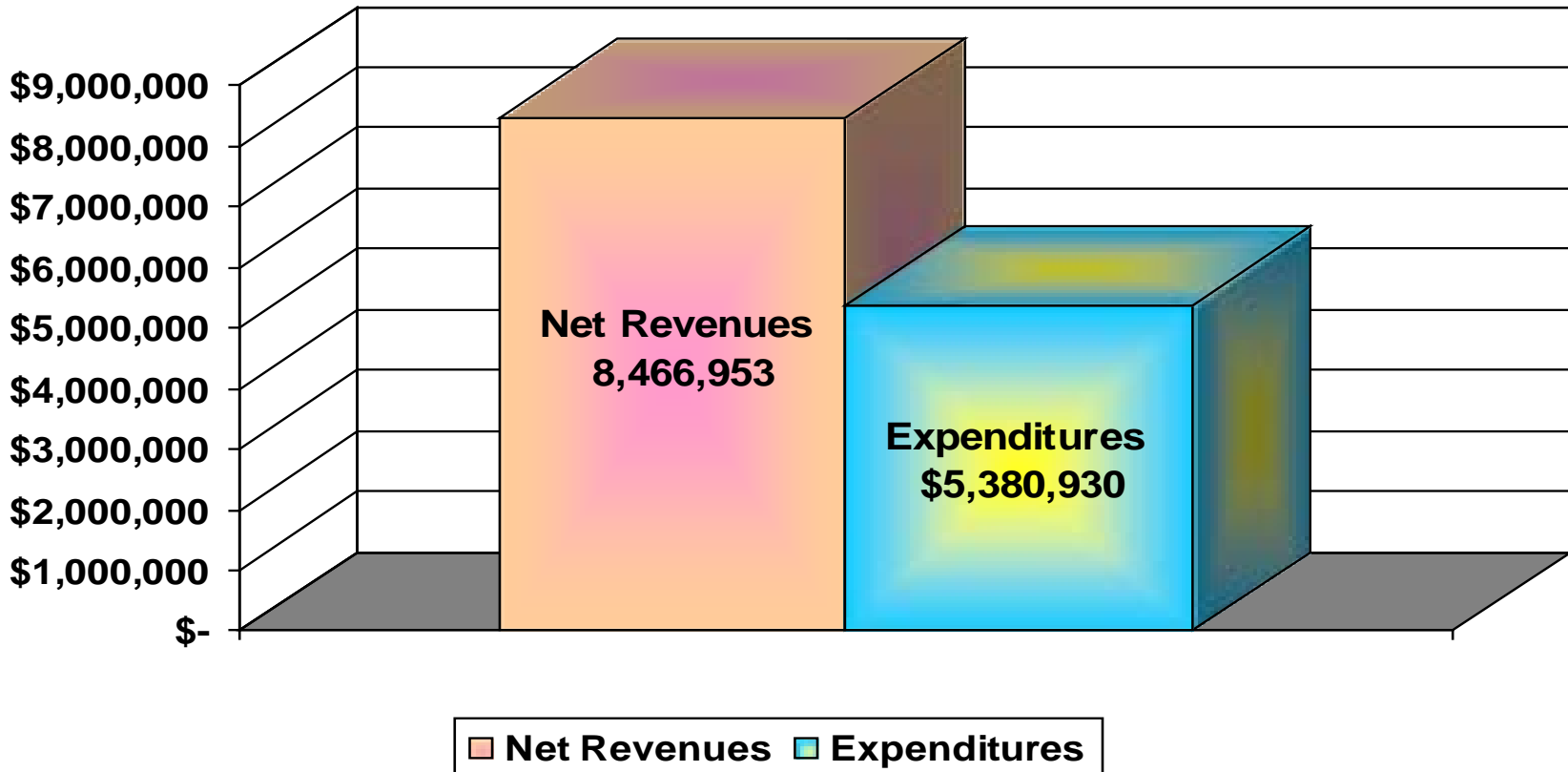
Building Permits

- The total dollar value of building permits issued for February 2008 was \$3,665,365 compared to \$5,579,227 in February 2007.
- 107 building permits were issued in February 2008 which is an increase of 4 compared to that issued in February 2007.

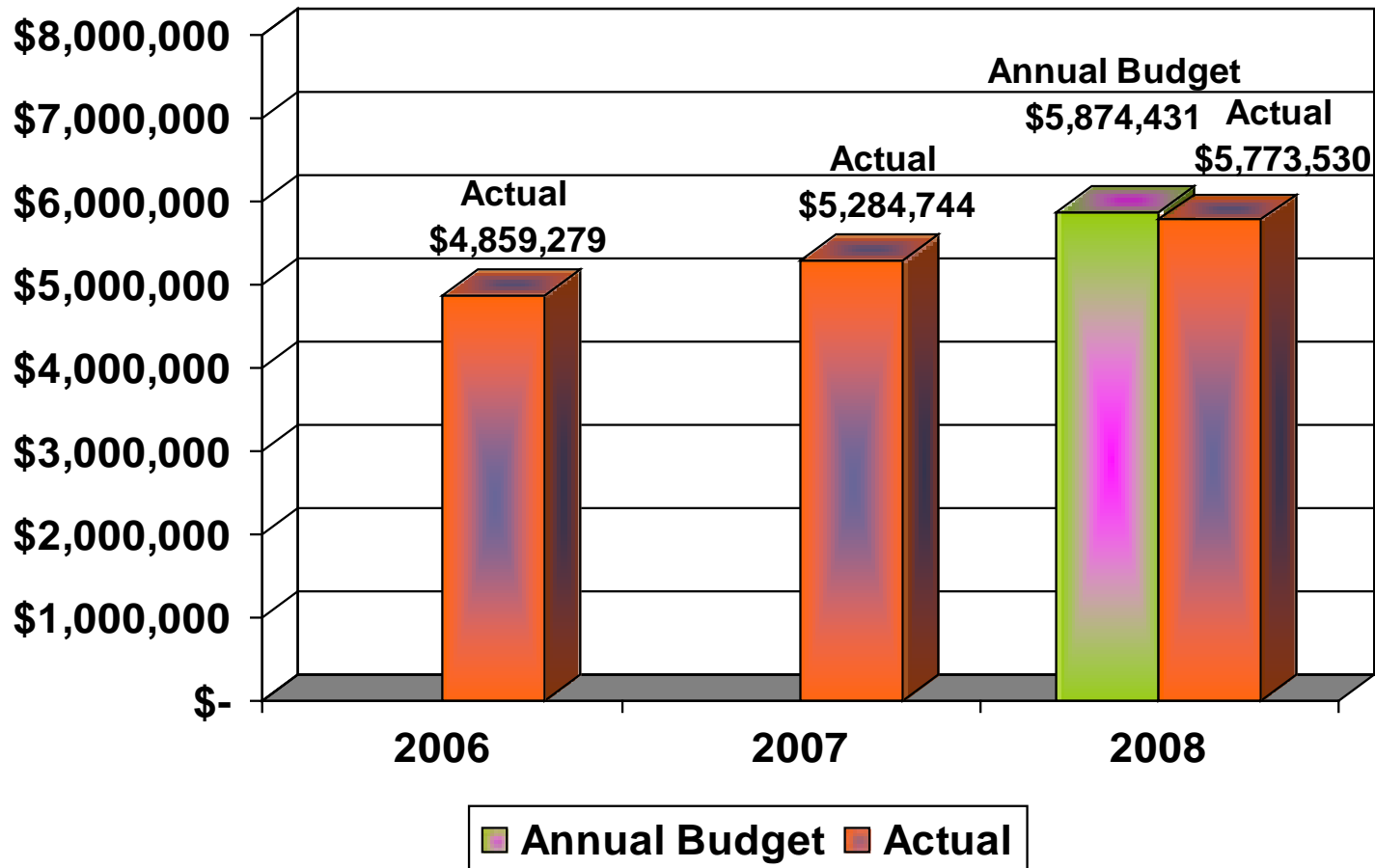
Hotel Occupancy Tax Revenue

- Hotel occupancy tax collections for February 2008 were \$2,198 compared to \$7,122 collected in February 2007. Year to date, hotel occupancy tax collections are at \$41,856 or 13.2% below prior year-to-date collections of \$48,218.
- The hotel occupancy tax revenue is being researched in Finance and will be monitored closely throughout the year. Hotels that report quarterly will report revenue in October, January, April, and July.

City of Copperas Cove General Fund Revenues vs. Expenditures FYTD (October through February)



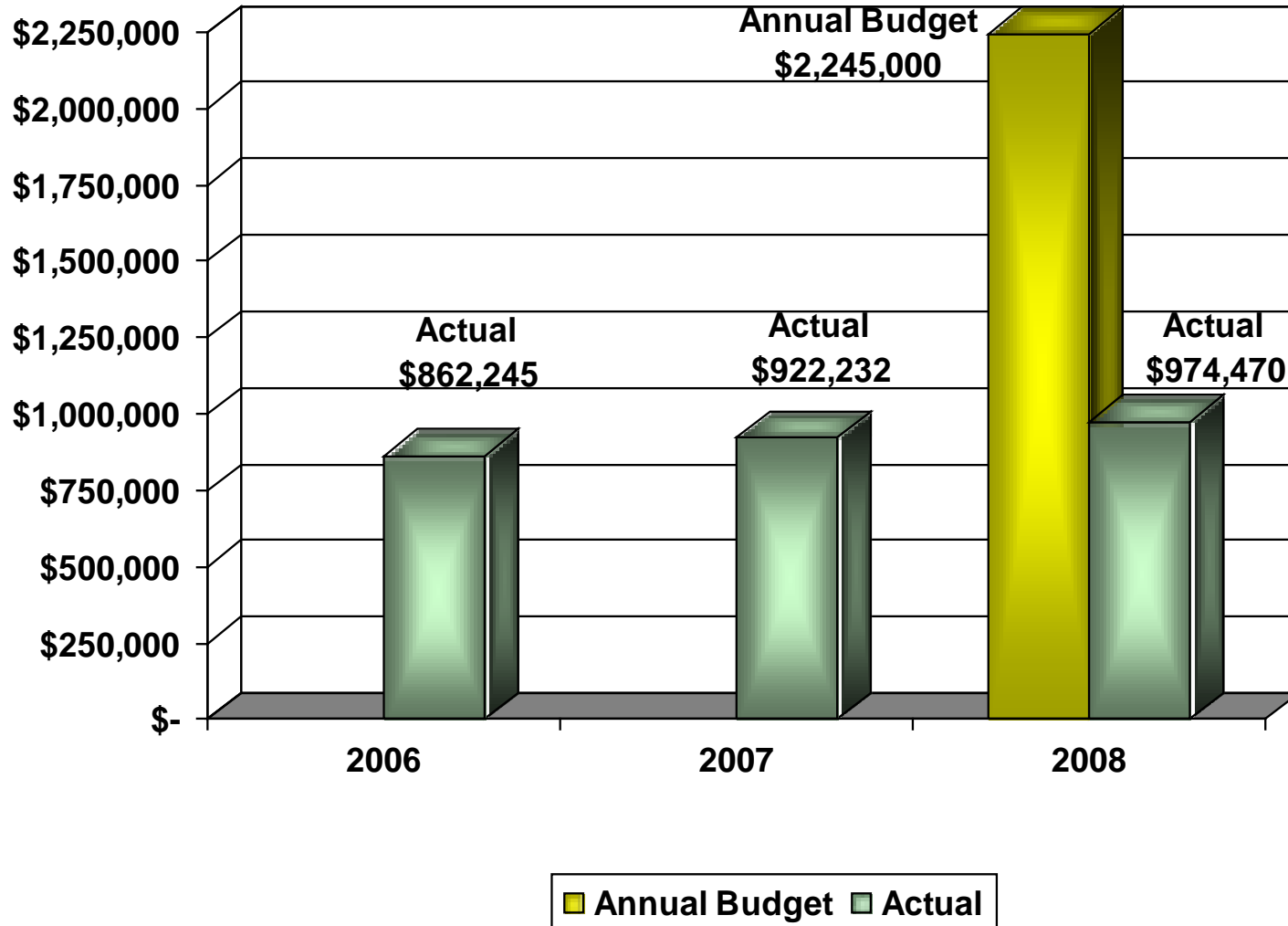
City of Copperas Cove General Fund Property Tax Revenue Trends FYTD (October through February)



➤ Property Tax revenue through 02/29/08 was **\$5,773,530**

➤ **\$488,786** or 9.2% above prior year-to-date revenue

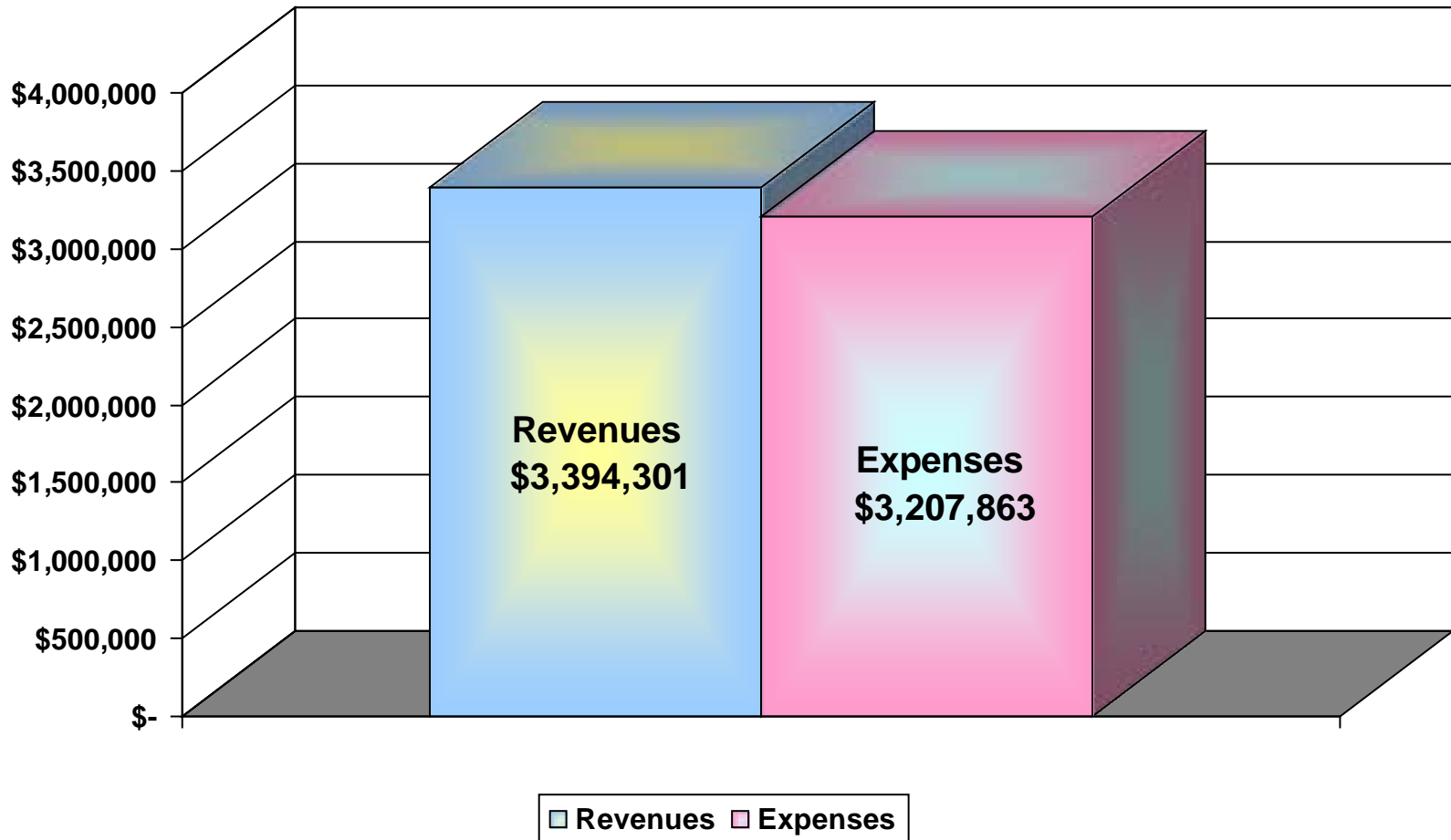
City of Copperas Cove Sales Tax Revenue Trends FYTD (October through February)



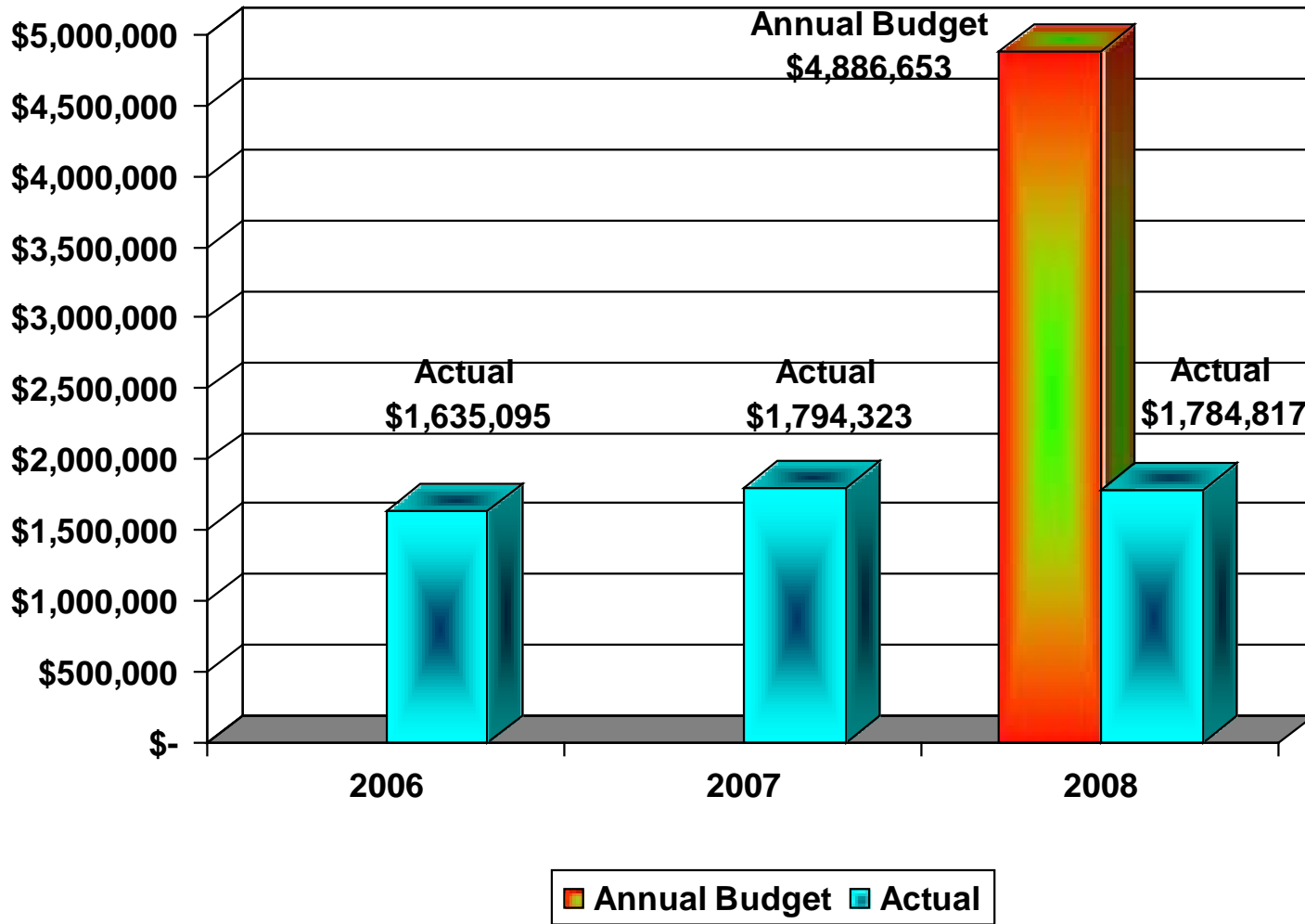
➤ Sales Tax Revenue through 02/29/08 was **\$974,470**

➤ **\$52,238** or 5.7% above prior year-to-date Sales Tax Revenue

City of Copperas Cove Water & Sewer Fund Revenues vs. Expenses FYTD (October through February)



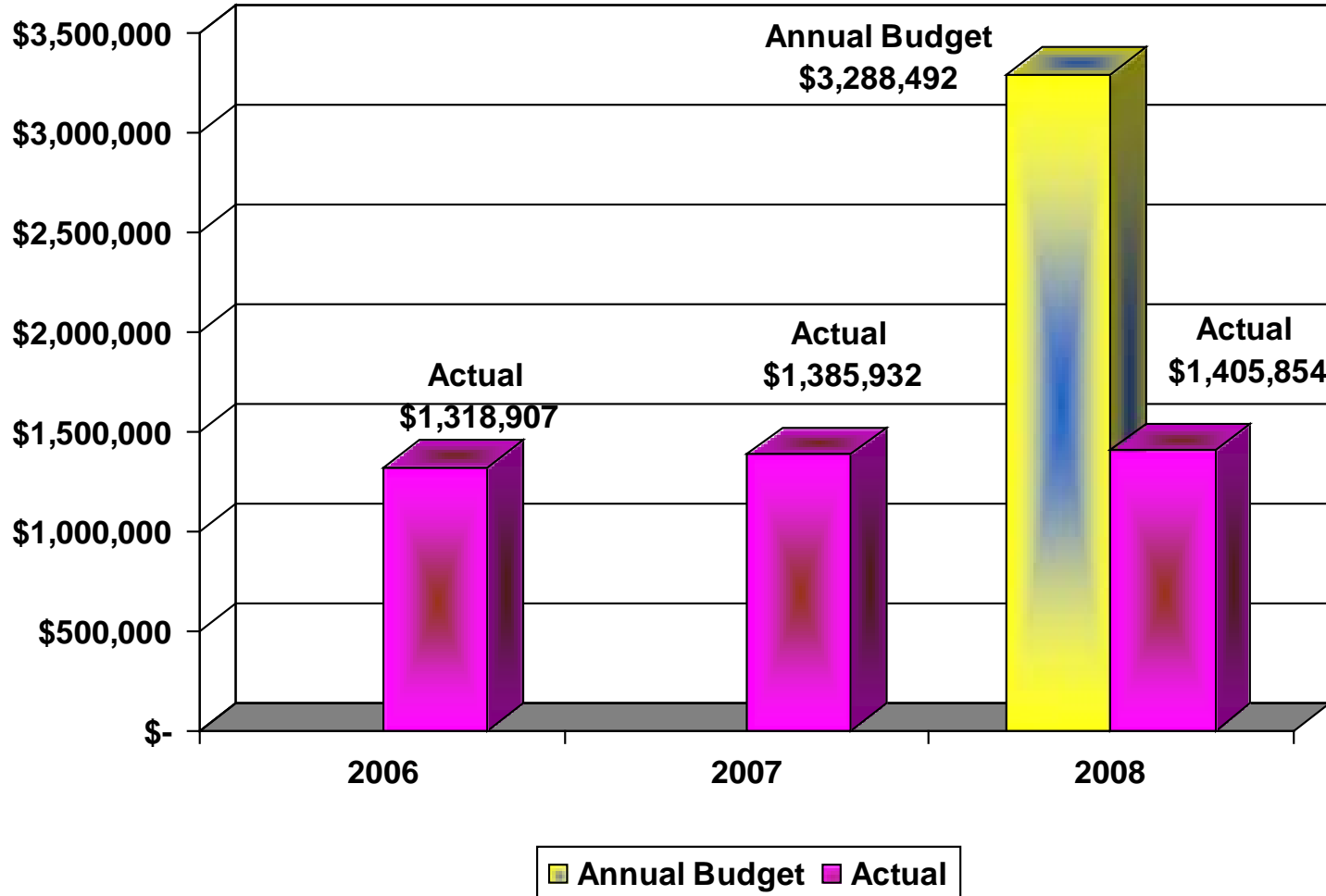
City of Copperas Cove Water Revenue Trends FYTD (October through February)



➤ Water Revenue through 02/29/08 was **\$1,784,817**

➤ **\$9,506** or 0.5% below prior year-to-date revenue

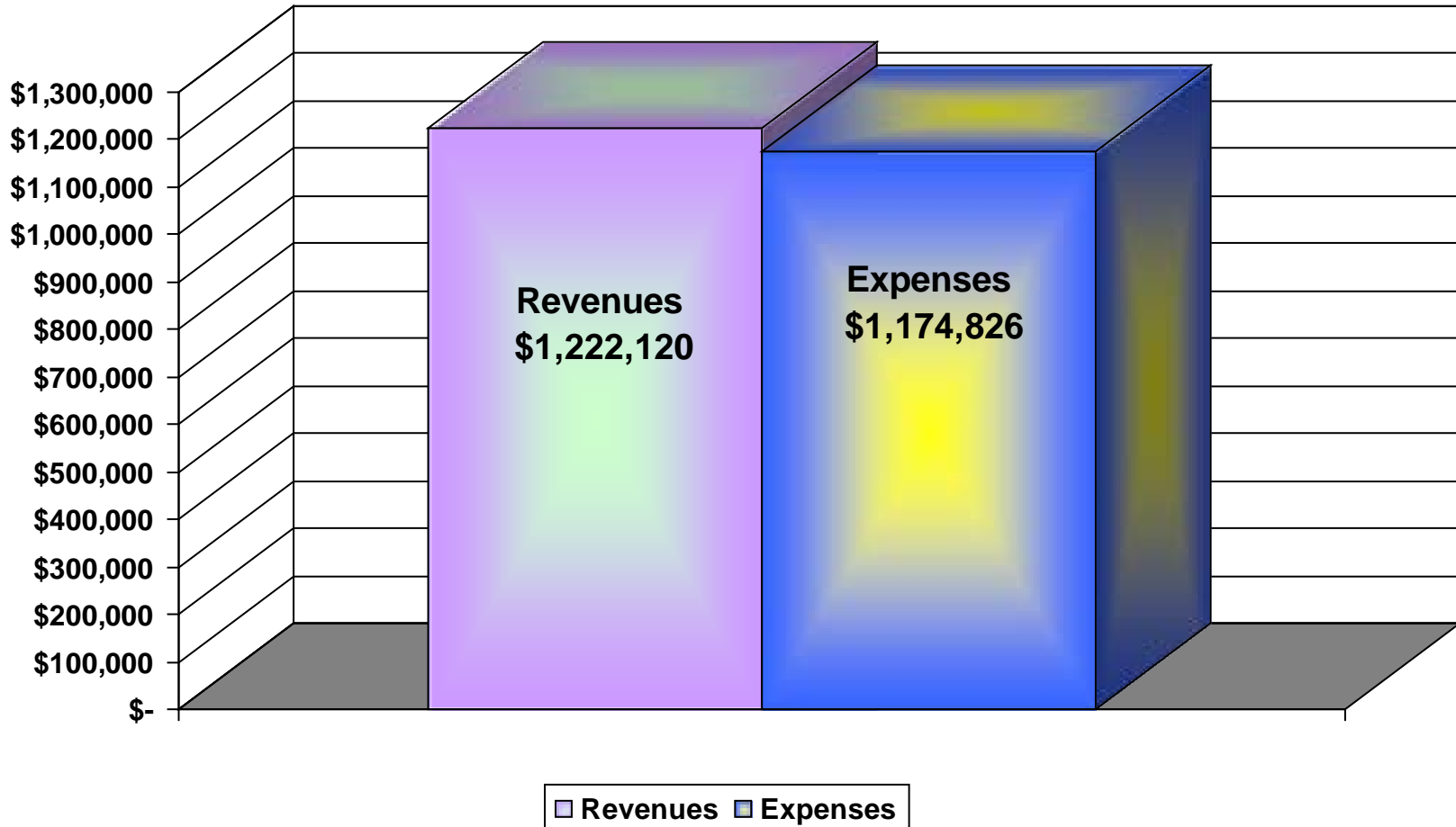
City of Copperas Cove Sewer Revenues FYTD (October through February)



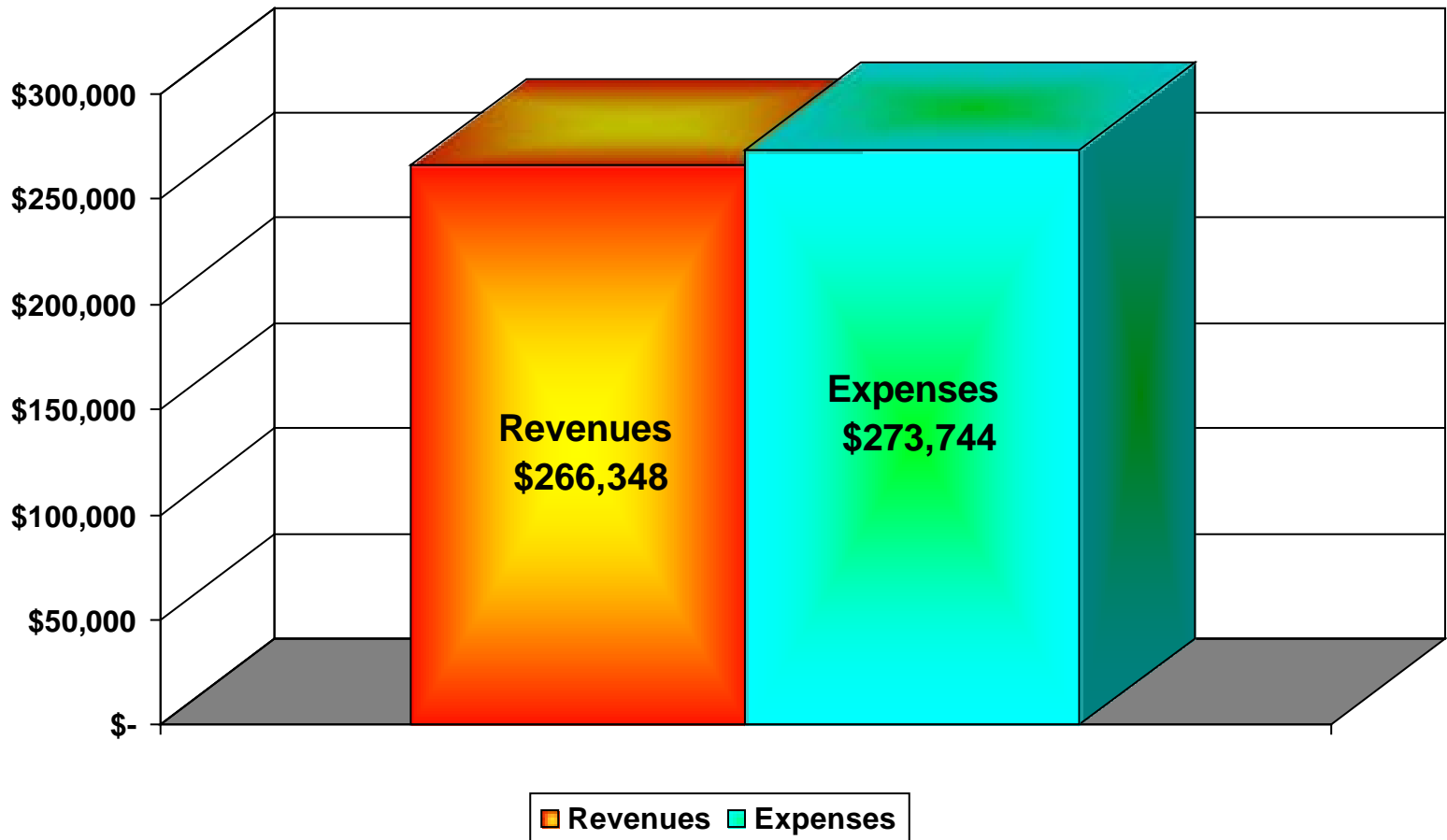
➤ Sewer Revenue through 02/29/08 was **\$1,405,854**

➤ **\$19,922** or 1.4% above prior year-to-date revenue

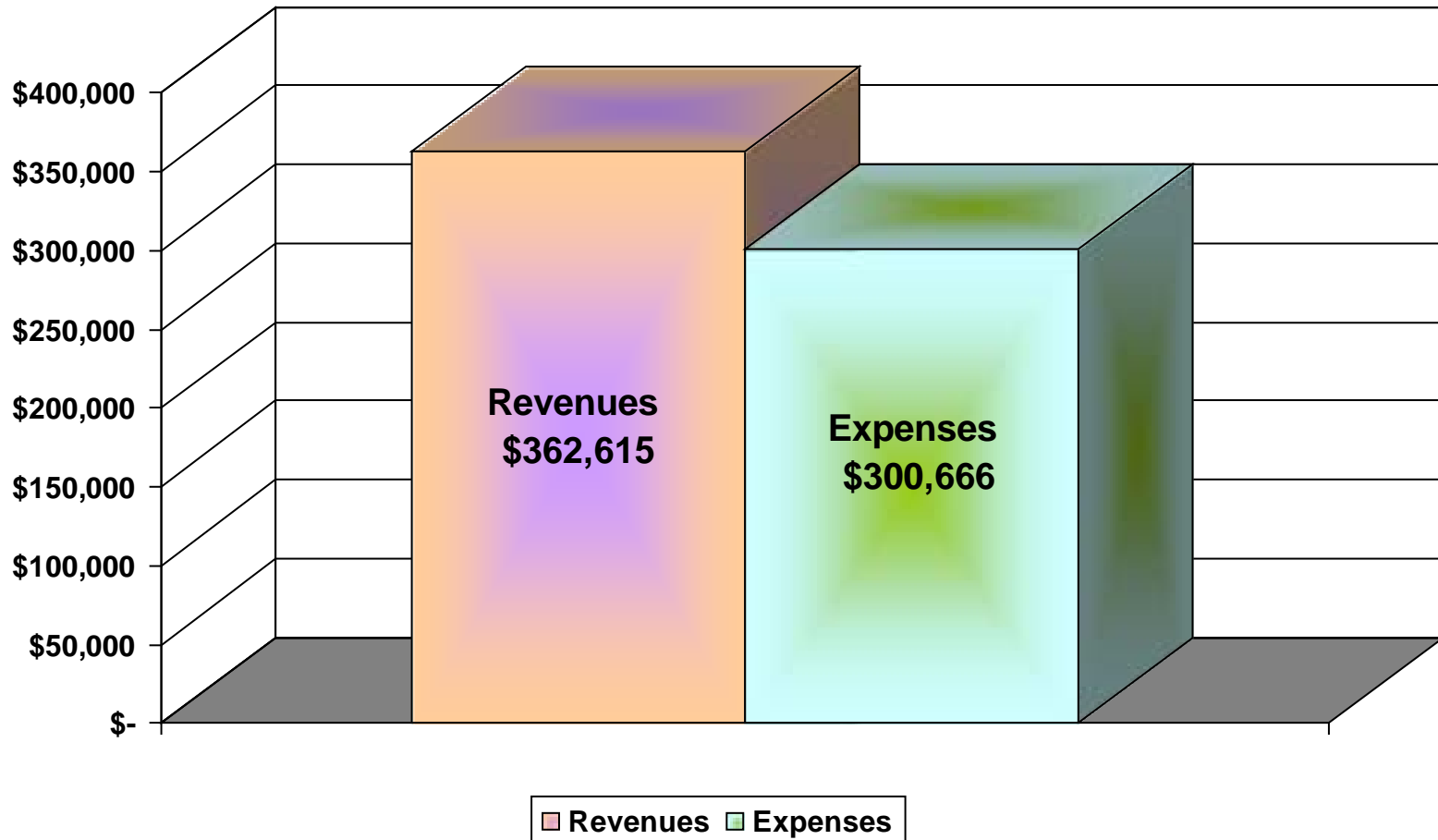
City of Copperas Cove Solid Waste Fund Revenues vs. Expenses FYTD (October through February)



City of Copperas Cove Golf Course Fund Revenues vs. Expenses FYTD (October through February)



City of Copperas Cove Drainage Fund Revenues vs. Expenses FYTD (October through February)



**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Designated	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Unreserved, Undesignated	2,384,115	5,080,437	2,279,959	
TOTAL BEG. FUND BALANCE	\$ 3,384,115	\$ 6,080,437	\$ 3,279,959	
GENERAL FUND REVENUE				
Taxes				
Current Ad Valorem Taxes	\$ 5,874,431	\$ 557,020	\$ 5,773,530	98.3%
Delinquent Ad Valorem Taxes	47,000	3,435	41,680	88.7%
Penalty & Interest	38,000	8,695	67,364	177.3%
Sales Tax	2,245,000	250,728	974,470	43.4%
Franchise Tax	1,346,208	14,707	182,117	13.5%
TXU Settlement	35,633	-	-	0.0%
Mixed Drink Tax	17,000	-	5,894	34.7%
Bingo Tax	110,000	21,585	44,302	40.3%
Used Oil Revenue-Safety Clean/H&H	700	-	95	13.5%
Subtotal Taxes	\$ 9,713,972	\$ 856,170	\$ 7,089,450	73.0%
Licenses & Permits				
License-Bicycle	\$ 100	\$ 4	\$ 6	6.0%
License-Contractors	45,000	2,420	22,125	49.2%
License-Animal	4,000	209	1,849	46.2%
Permits-Building	90,000	4,780	28,751	31.9%
Permits-House Moving	200	-	-	0.0%
Permits - Street Cuts	9,000	2,705	4,345	48.3%
Permits-Electrical	23,000	1,635	7,690	33.4%
Permits-Solicitors	2,500	270	1,370	54.8%
Permits-Natural Gas Lines	2,000	100	745	37.3%
Permits-Garage Sales	7,000	330	2,300	32.9%
Permits-Plumbing	30,000	2,220	10,743	35.8%
Permits-Mechanical	18,000	1,120	5,075	28.2%
License-Taxicabs	1,000	-	300	30.0%
Permits-Car Wash	500	-	45	9.0%
Permits-Signs	1,500	105	310	20.7%
Permits-Swimming Pools	900	30	115	12.8%
Wrecker License	600	0	510	85.0%
Permit-Certificate of Occupancy	2,000	360	960	48.0%
Permits-Alarms	6,200	340	1,220	19.7%
False Alarm Penalties	400	0	801	200.1%
Permits-Alcohol License	600	(30)	480	80.0%
Permits-Well/Gas Drilling	0	-	2,000	N/A
License - Massage	0	1,000	1,000	N/A
Subtotal Licenses & Permits	\$ 244,500	\$ 17,598	\$ 92,739	37.9%

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
Services & Charges				
Swimming Pool Receipts	\$ 52,400	\$ -	\$ -	0.0%
Community Building Rental	21,000	2,128	9,913	47.2%
Misc. Library Receipts	14,500	1,123	5,329	36.8%
Animal Shelter Fees	40,000	2,448	11,716	29.3%
Ambulance Fee Revenue ⁽¹⁾	776,818	39,349	257,271	33.1%
Copy Machines	5,200	426	1,954	37.6%
Mowing Revenue	20,000	(5,667)	5,579	27.9%
Sale of City Maps	600	-	299	49.8%
Service Charge-NSF Checks	12,000	625	4,450	37.1%
Plat Filing Fee Revenue	6,500	650	1,750	26.9%
RV Park Fees	12,000	1,185	4,315	36.0%
Police Overtime Reimbursement	20,000	2,447	13,687	68.4%
Police Restitution Revenue	3,000	507	1,900	63.3%
Festival Reimbursements	13,094	-	203	1.5%
Special Events-Seniors	1,500	420	1,016	67.7%
Library Meeting Room Rental	1,500	225	2,378	158.5%
Open Records Revenue	1,000	516	732	73.2%
Senior Games	1,500	-	-	0.0%
Fax Machine Fees	700	115	515	73.6%
Pool Rental Revenue	4,000	-	-	0.0%
Re-Inspection Fees	700	-	50	7.1%
Micro Chip of Animals Revenue	7,175	179	758	10.6%
Subtotal Services & Charges	\$ 1,015,187	\$ 46,677	\$ 323,815	31.9%
⁽¹⁾ Recorded net of billing fees.				
Fines & Forfeitures				
Municipal Court Fines	\$ 161,500	\$ 11,116	\$ 43,249	26.8%
Traffic Violation Fines	404,600	39,215	134,598	33.3%
Library Fines	16,500	1,826	7,139	43.3%
Arrest Warrant Income	138,500	12,408	39,460	28.5%
Child Safety Fund	12,800	1,312	4,618	36.1%
City's % of State Court Fines	57,500	-	25,512	44.4%
HB 70 Fees	14,000	1,081	4,662	33.3%
Arresting Officer Fees	33,000	2,546	10,219	31.0%
CCISD Liaison Funding	101,508	-	25,377	25.0%
Admin Fee-Teen Court	1,500	130	460	30.7%
Admin Fee-Defensive Driving	8,600	700	3,780	44.0%
Rezone Request Fees	3,000	200	600	20.0%
Variance Request Fees	300	-	110	36.7%
Subtotal Fines & Forfeitures	\$ 953,308	\$ 70,534	\$ 299,783	31.4%
Administration Reimb.				
Admin. Reimb.-W & S Fd	\$ 792,500	\$ 132,083	\$ 330,208	41.7%
Admin. Reimb.-Solid Waste Fd	428,000	71,333	178,333	41.7%
Admin. Reimb.-Drainage Utility Fd	80,000	13,333	33,333	41.7%
Subtotal Admin. Reimb.	\$ 1,300,500	\$ 216,750	\$ 541,875	41.7%

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
Miscellaneous Revenue				
Interest Earned Revenue	\$ 235,000	\$ 18,173	\$ 78,999	33.6%
Rental Income	20,000	1,440	7,200	36.0%
Miscellaneous Police Revenue	3,000	308	1,755	58.5%
Miscellaneous Grant Revenue	1,500	-	-	0.0%
Miscellaneous Revenues	75,300	34	13,298	17.7%
Insurance Proceeds	3,000	30	30	1.0%
Food Workers' Permit	12,000	1,252	5,815	48.5%
Food Establishment Licenses	11,000	675	3,810	34.6%
Maintenance & Landscape Revenue	2,100	0	1,050	50.0%
Street Sign Revenue	2,400	220	220	9.2%
Auction Proceeds	5,000	0	7,115	142.3%
Subtotal Miscellaneous Rev.	\$ 370,300	\$ 22,132	\$ 119,291	32.2%
TOTAL G. F. REVENUE	\$ 13,597,767	\$ 1,229,861	\$ 8,466,953	62.3%

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GENERAL FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
GENERAL FUND EXPENDITURES				
City Council	\$ 42,700	\$ 2,057	\$ 16,789	39.3%
City Manager	270,334	15,904	87,937	32.5%
City Secretary/Elections	147,339	9,665	45,410	30.8%
City Attorney	105,080	16,509	48,099	45.8%
Finance	506,924	37,051	214,546	42.3%
Grants Administration	62,546	-	-	0.0%
Human Resources	176,796	13,817	77,027	43.6%
Information Systems	197,219	18,448	81,482	41.3%
Municipal Court	361,583	26,795	151,826	42.0%
Police	4,378,484	318,923	1,676,377	38.3%
Public Information Office	0	4,227	19,515	N/A
Animal Control	213,593	16,193	79,123	37.0%
Fire/EMS	3,000,931	176,533	1,323,354	44.1%
Emergency Management	65,496	-	5,327	8.1%
Engineering	166,629	4,873	44,620	26.8%
Building & Development Services	281,485	23,385	120,495	42.8%
Streets	985,565	55,584	275,786	28.0%
Parks and Recreation	929,962	67,264	332,333	35.7%
Fleet Services	235,422	34,387	119,037	50.6%
Public Works	39,418	3,220	16,592	42.1%
Facility Maintenance	172,390	14,030	72,717	42.2%
Planning	188,868	7,513	61,819	32.7%
Library	519,730	44,576	217,817	41.9%
Code & Health	155,289	12,959	65,593	42.2%
Non-Departmental	371,815	20,405	227,307	61.1%
TOTAL GENERAL FUND EXPENDITURES	\$ 13,575,598	\$ 944,316	\$ 5,380,930	39.6%
ENDING FUND BALANCE				
Unreserved, Designated	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Unreserved, Undesignated	\$ 2,406,284	\$ 5,365,982	\$ 5,365,981	
TOTAL ENDING FUND BALANCE	\$ 3,406,284	\$ 6,365,982	\$ 6,365,981	
IDEAL RESERVE FUND BALANCE	\$ 3,393,900	\$ 3,393,900	\$ 3,393,900	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ 12,384	\$ 2,972,082	\$ 2,972,081	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
WATER & SEWER FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 2,029,827	\$ 2,388,072	\$ 1,730,982	
TOTAL BEGINNING FUND BALANCE	\$ 2,029,827	\$ 2,388,072	\$ 1,730,982	
W & S FUND REVENUES				
Operating Revenues				
Water Revenue	\$ 4,886,653	\$ 314,113	\$ 1,784,817	36.5%
Sewer Revenue	3,288,492	275,184	1,405,854	42.8%
Senior Discount	(140,300)	(9,329)	(52,221)	37.2%
Water Tap Fees	122,000	6,965	32,357	26.5%
Sewer Tap Fees	30,000	2,080	9,390	31.3%
Connect Fee	55,000	4,590	27,105	49.3%
Meter Box Reset Fee	0	-	300	N/A
Subtotal Operating Revenues	\$ 8,241,845	\$ 593,603	\$ 3,207,602	38.9%
Other Revenues				
Composting Sales Revenue	\$ 15,000	\$ 844	\$ 4,170	27.8%
Admin Reimb--Drainage	20,000	3,333	8,333	41.7%
Interest Revenue	140,000	7,098	45,633	32.6%
Late Charge For Billing	250,000	21,441	107,868	43.1%
Riser Forfeiture Revenue	3,000	-	230	7.7%
Auction Proceeds	1,000	-	-	0.0%
Insurance Proceeds	500	-	-	0.0%
Miscellaneous Revenues	50,000	3,259	20,464	40.9%
Subtotal Other Revenues	\$ 479,500	35,976	186,698	38.9%
TOTAL W & S FD REVENUES	\$ 8,721,345	\$ 629,578	\$ 3,394,301	38.9%
W & S FUND EXPENDITURES				
Water & Sewer Administration	\$ 152,025	\$ 12,787	\$ 66,116	43.5%
Utility Administration	517,891	57,355	240,967	46.5%
Water Distribution	1,126,698	81,554	434,294	38.5%
Sewer Collection	497,329	35,353	178,089	35.8%
Wastewater Treatment	1,013,042	109,584	517,783	51.1%
Composting	161,262	13,890	65,212	40.4%
Non-Departmental	4,714,017	789,707	1,705,402	36.2%
TOTAL W & S FUND EXPENDITURES	\$ 8,182,264	\$ 1,100,231	\$ 3,207,863	39.2%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 2,568,908	\$ 1,917,419	\$ 1,917,419	
TOTAL ENDING FUND BALANCE	\$ 2,568,908	\$ 1,917,419	\$ 1,917,419	
IDEAL RESERVE FUND BALANCE	\$ 2,045,566	\$ 2,045,566	\$ 2,045,566	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ 523,342	\$ (128,147)	\$ (128,147)	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SOLID WASTE FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 653,725	\$ 1,023,765	\$ 769,842	
Unreserved, Designated	0	-	-	
TOTAL BEGINNING FUND BALANCE	\$ 653,725	\$ 1,023,765	\$ 769,842	
SOLID WASTE FUND REVENUE				
Operating Revenue				
Refuse Collection Fees	\$ 2,211,872	\$ 193,309	\$ 965,686	43.7%
Sanitary Landfill Fees	425,000	28,956	147,549	34.7%
Senior Discount	(38,325)	(3,157)	(15,791)	41.2%
Recycling Proceeds	35,000	5,243	19,532	55.8%
Sale of Scrap Metal	18,000	510	7,166	39.8%
Sale of Kraft Bags	9,500	726	4,144	43.6%
Container Reload Fees	13,500	249	1,171	8.7%
Return Service/Overload Container	1,000	-	29	2.9%
Roll-Off Rental Income	40,000	4,032	22,901	57.3%
Rear Load Dumpster Rental	800	-	672	84.0%
Auto Lid Locks	750	98	556	74.1%
Subtotal Operating Revenue	\$ 2,717,097	\$ 229,966	\$ 1,153,614	42.5%
Other Revenue				
Interest Revenue	\$ 33,000	\$ 2,146	\$ 14,164	42.9%
Late Charge For Billing	116,000	10,720	53,934	46.5%
Auction Proceeds	1,000	-	-	0.0%
Miscellaneous Revenues	2,000	88	408	20.4%
Subtotal Other Revenue	\$ 152,000	\$ 12,954	\$ 68,507	45.1%
TOTAL SOLID WASTE REVENUE	\$ 2,869,097	\$ 242,920	\$ 1,222,120	42.6%
SOLID WASTE FUND EXPENDITURES				
Solid Waste Administration	\$ 205,723	\$ 17,086	\$ 89,711	43.6%
Solid Waste Collection - Residential	330,012	60,979	151,197	45.8%
Solid Waste Collection - Recycling	159,375	11,504	39,466	24.8%
Solid Waste Collection - Brush	117,174	20,112	57,415	49.0%
Solid Waste Collection - Commercial	379,273	34,045	139,520	36.8%
Solid Waste Disposal - Transfer Station	1,100,536	229,548	477,995	43.4%
Solid Waste Recycling - KCCB	22,200	2,988	7,191	32.4%
Non-Departmental	503,095	73,286	212,330	42.2%
TOTAL SOLID WASTE FUND EXPENDITURES	\$ 2,817,388	\$ 449,549	\$ 1,174,826	41.7%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 705,434	\$ 817,136	\$ 817,136	
Unreserved, Designated	-	-	-	
TOTAL ENDING FUND BALANCE	\$ 705,434	\$ 817,136	\$ 817,136	
IDEAL RESERVE FUND BALANCE	\$ 704,347	\$ 704,347	\$ 704,347	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ 1,087	\$ 112,789	\$ 112,789	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
DRAINAGE UTILITY FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 385,402	\$ 407,110	\$ 324,584	
TOTAL BEGINNING FUND BALANCE	\$ 385,402	\$ 407,110	\$ 324,584	
DRAINAGE UTILITY FUND REVENUE				
Drainage Utility Fee	\$ 841,839	\$ 69,145	\$ 346,021	41.1%
Maintenance Revenue	500	50	244	48.7%
Subtotal Drainage Utility Revenue	\$ 842,339	\$ 69,195	\$ 346,265	41.1%
Other Revenue				
Miscellaneous Revenue	\$ 1,900	\$ -	\$ 929	48.9%
Interest Revenue	37,000	2,412	15,391	41.6%
Insurance Proceeds	0	30	30	
Subtotal Other Revenue	\$ 38,900	\$ 2,442	\$ 16,350	42.0%
TOTAL DRAINAGE UTILITY REVENUE	\$ 881,239	\$ 71,637	\$362,615	41.1%
DRAINAGE UTILITY FUND EXPENDITURES				
Drainage	\$ 1,051,485	\$ 91,702	\$ 299,066	28.4%
Administration	1,668	513	1,600	95.9%
TOTAL DRAINAGE UTILITY FUND EXPENDITURES	\$ 1,053,153	\$ 92,215	\$ 300,666	28.5%
Unreserved, Undesignated	\$ 213,488	\$ 386,533	\$ 386,533	
TOTAL ENDING FUND BALANCE	\$ 213,488	\$ 386,533	\$ 386,533	
IDEAL RESERVE FUND BALANCE	\$ 263,288	\$ 263,288	\$ 263,288	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ (49,800)	\$ 123,245	\$ 123,245	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
GOLF COURSE FUND
As of February 29, 2008 (FY 2007-08)**

Description	Adopted Budget	Current Month Feb. 2008	Total Year to Date	Percent Year to Date
BEGINNING FUND BALANCE				
Unreserved, Undesignated	\$ 3,113	\$ (28,463)	\$ (22,335)	
TOTAL BEGINNING FUND BALANCE	\$ 3,113	\$ (28,463)	\$ (22,335)	
GOLF COURSE FUND REVENUE				
Green Fees	\$ 198,735	\$ 14,531	\$ 61,239	30.8%
Cart Rental Fees	172,000	14,245	56,756	33.0%
Membership Dues	107,425	4,947	11,749	10.9%
Cart Storage Fees	22,100	-	1,075	4.9%
Trail Fees	15,300	562	1,534	10.0%
Pro Shop Sales	101,000	6,782	24,939	24.7%
Handicap Fees	300	-	-	0.0%
Driving Range Fees	36,500	3,174	11,624	31.8%
Snack Bar Revenue F&B	62,000	5,050	21,634	34.9%
Snack Bar Revenue-Beer & Wine	25,000	2,156	7,279	29.1%
Transfer From General Fund	59,072	-	59,072	100.0%
Facility Rental Income	500	-	700	140.0%
Swimming Pool Receipts	500	-	-	0.0%
Interest Revenue	100	-	5	5.2%
Winter Special Green Fees	0	1,376	1,901	N/A
Winter Special Lunch	0	707	1,027	N/A
Revenue Food & Beverages	0	141	556	N/A
Tournament Green Fees	18,000	460	3,212	17.8%
Tournament Cart Fees	14,500	-	2,018	13.9%
Auction Proceeds	5,000	-	-	0.0%
Miscellaneous Receipts	260	14	24	9.2%
Golf Lesson Revenue	0	5	5	N/A
TOTAL G. C. FD REVENUE	\$ 838,292	\$ 54,149	\$ 266,348	31.8%
GOLF COURSE FUND EXPENDITURES				
Golf Course Administration	\$ 286,492	\$ 24,610	\$ 125,964	44.0%
Golf Course Concessions	89,953	9,814	39,415	43.8%
Golf Course Maintenance	387,734	20,993	108,364	27.9%
TOTAL GOLF COURSE FUND EXPENDITURES	\$ 764,179	\$ 55,417	\$ 273,744	35.8%
ENDING FUND BALANCE				
Unreserved, Undesignated	\$ 77,226	\$ (29,731)	\$ (29,731)	
TOTAL ENDING FUND BALANCE	\$ 77,226	\$ (29,731)	\$ (29,731)	
IDEAL RESERVE FUND BALANCE	\$ 191,045	\$ 191,045	\$ 191,045	
OVER (UNDER) IDEAL RESERVE FUND BALANCE	\$ (113,819)	\$ (220,775)	\$ (220,775)	

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
OTHER FUNDS
As of February 29, 2008 (FY 2007-08)**

Fund Description	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Special Revenue Funds:				
Recreation Activities Fund	\$ 88,185	\$ 40,346	\$ 64,266	\$ 64,264
Cemetery Fund	12,865	8,145	14,902	6,108
Library Gifts and Memorials	8,894	288	224	8,959
Small Business Revolving Loan Fund **	197,521	853	-	198,374
Hotel Occupancy Tax Fund	56,405	61,289	63,729	53,965
Animal Shelter Fund	21,560	444	3,031	18,973
City-Wide Donation Fund	40,795	29,275	15,748	54,321
Municipal Court Fund	175,638	23,784	47,676	151,746
Sub-Total Special Revenue Funds	\$ 601,863	\$ 164,423	\$ 209,576	\$ 556,710
** Beginning fund balance includes \$150,274 in notes receivables.				
Debt Service Fund:				
Tax Interest & Sinking Fund	\$ 143,493	\$ 1,405,019	\$ 341,579	\$ 1,206,932
Sub-Total Debt Service Fund:	\$ 143,493	\$ 1,405,019	\$ 341,579	\$ 1,206,932
Capital Projects Funds:				
2001 C.O. (Capital Equip./Improvement)	\$ 285,983	\$ 5,218	\$ 23,700	\$ 267,501
2001 C.O. (Water/Wastewater Phase II)	434,649	8,390	13,374	429,665
2003 C.O. (CIP)	471,247	10,851	352,137	129,961
2003 C.O. (W/WW Phase III)	1,532,155	33,326	359,007	1,206,474
2005 C.O. (Water Infrastructure Project)	2,228,891	43,831	37,126	2,235,596
2006 Tax Notes (CIP)	1,015,058	15,304	282,293	748,069
2007 C.O. (Police Facility)	5,338,633	(399,631)	124	4,938,878
Sub-Total C.I.P. Funds:	\$ 11,306,616	\$ (282,711)	\$ 1,067,761	\$ 9,956,144
Total Other Funds	\$ 12,051,972	\$ 1,286,731	\$ 1,618,917	\$ 11,719,786

City of Copperas Cove, Texas
2001 Certificates of Obligation
(Capital Equipment/Improvements)
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
90-300-0001	Fund Balance	\$ -	\$ -	\$ 285,983
Revenues				
90-390-1001	Bond Proceeds	\$ 1,915,000	\$ 1,914,227	\$ -
90-370-6001	Interest Income	-	82,505	5,218
90-370-6005	Miscellaneous Revenue	-	1,500	-
Total Revenues		<u>\$ 1,915,000</u>	<u>\$ 1,998,233</u>	<u>\$ 5,218</u>
Expenditures				
90-4606-9000-8600	Bond Issuance Costs	\$ 43,832	\$ 56,766	\$ -
90-4606-9000-6050	Inspection Services	-	3,263	-
90-4606-3500-xxxx	City-Wide Network	148,700	148,623	-
90-4606-4100-8500	Municipal Court	182,594	196,778	-
90-4606-4300-xxxx	Animal Control Facility	60,147	60,119	-
90-4606-4400-8500	Fire Station No. 3	179,509	215,496	-
90-4606-4400-8300	Fire Equipment	250,000	248,856	-
90-4606-5300-8400	Street Equipment	126,170	126,170	-
90-4606-5300-8500	Reliever Route ROW Acquisition	400,000	148,455	23,700
90-4606-5400-8505	Ogletree Improvements	364,548	394,604	-
90-4606-5600-8500	Public Works Facility (1/2)	159,500	113,119	-
Total Expenditures		<u>\$ 1,915,000</u>	<u>\$ 1,712,250</u>	<u>\$ 23,700</u>
Ending Fund Balance				
90-300-0001	Fund Balance	<u>\$ -</u>	<u>\$ 285,983</u>	<u>\$ 267,501</u>

City of Copperas Cove, Texas
2001 Certificates of Obligation
(Phase II of Water/Wastewater CIP)
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
91-300-0001	Fund Balance	\$ -	\$ -	\$ 434,649
Revenues				
91-390-1001	Bond Proceeds	\$ 6,485,000	\$ 6,482,383	\$ -
91-370-6001	Interest Income	-	324,782	8,390
91-370-6005	Miscellaneous Revenue	-	-	-
Total Revenues		<u>\$ 6,485,000</u>	<u>\$ 6,807,165</u>	<u>\$ 8,390</u>
Expenditures				
91-4607-9100-8600	Bond Issuance Costs	\$ 162,800	\$ 165,380	\$ -
91-4607-9100-6100	Advertising	-	191	-
91-4607-5600-6800	Professional Services	-	23,867	-
91-4607-9100-9032	Public Works Facility (1/2)	159,500	132,784	-
91-4607-9100-9034	Turkey Run Pumps & Tank	439,000	443,736	-
91-4607-9100-9036	Hogg Mt. Pumps & Tank	819,000	86,762	-
91-4607-9100-9038	Killeen/CC Water Line	3,073,700	3,211,692	-
91-4607-9100-9040	Turkey Run Tank Rehab.	180,000	275,763	-
91-4607-9100-xxxx	W. Hwy 190 Sewer Ext.	-	-	-
91-4607-9100-9042	Joint Pump Station	700,000	754,487	-
91-4607-9100-9044	Grimes Crossing Water Line	701,000	507,968	-
91-4607-9100-9046	Joes Road Water Line	50,000	68,981	-
91-4607-9100-9047	Wolfe Road	75,000	75,855	-
91-4607-9100-9048	Taylor Mountain Pump Stn	-	243,276	-
91-4607-9100-0952	Mickan Mountain Rehab	-	214,078	13,374
91-4607-9100-9054	Hughes Mountain Rehab	-	35,000	-
91-4607-9100-9050	South Wastewater Plant	-	93,380	-
91-4607-5100-xxxx	Salaries/Related Expense	125,000	37,041	-
91-4607-5600-6800	Professional Services	-	2,276	-
Total Expenditures		<u>\$ 6,485,000</u>	<u>\$ 6,372,516</u>	<u>\$ 13,374</u>
Ending Fund Balance				
91-300-0001	Fund Balance	<u>\$ -</u>	<u>\$ 434,649</u>	<u>\$ 429,665</u>

**City of Copperas Cove, Texas
2003 Certificates of Obligation
Tax Supported Capital Projects
As of February 29, 2008**

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
70-300-0001	Fund Balance	\$ -	\$ -	\$ 471,247
Revenues				
70-390-1003	Bond Proceeds	\$ 4,190,000	\$ 4,190,000	\$ -
70-370-6001	Interest Income	-	214,451	10,851
70-370-6005	Miscellaneous Revenue	-	1,953	-
Total Revenues		\$ 4,190,000	\$ 4,406,404	\$ 10,851
Expenditures				
70-231-0920	Bond Issuance Costs	\$ 82,539	\$ 82,543	\$ -
70-231-0922	Unamortized Bond Discount	20,061	20,061	-
70-4615-4400-9021	Communications System	1,645,140	1,636,236	-
70-4615-4400-9023	Fire Department Pumper Truck	250,000	247,064	-
70-4615-5100-xxxx	Salary/Benefits	-	5,344	-
70-4615-4200-9039	Police Department Bldg. Repairs	20,000	22,537	-
70-4615-5300-9029	Improvements to FM 1113	320,000	363,398	11,331
70-4615-5400-9025	Renovation of Civic Center	130,000	132,691	-
70-4615-5400-9027	Construction of Skate Park	25,000	24,750	-
70-4615-5400-9033	Feeder Road	600,000	95,021	-
70-4615-5400-9035	City Hall Roof Repairs	20,000	11,441	-
70-4615-5400-9037	Human Resources Bldg. Repairs	95,000	92,661	-
70-4615-8500-9019	Construction of Big Divide	579,000	951,353	340,807
70-4615-8500-9043	Street Reconstruction	400,000	250,058	-
Total Expenditures		\$ 4,186,740	\$ 3,935,157	\$ 352,137
Ending Fund Balance				
70-300-0001	Fund Balance	\$ 3,260	\$ 471,247	\$ 129,961

City of Copperas Cove, Texas
2003 Certificates of Obligation
(Phase III of Water/Wastewater CIP)
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
71-300-0001	Fund Balance	\$ -	\$ -	\$ 1,532,155
Revenues				
71-390-1003	Bond Proceeds	\$9,820,000	\$ 9,820,000	\$ -
71-370-6001	Interest Income	-	491,531	33,326
71-390-1001	Developer Contributions	-	21,086	-
71-370-6005	Miscellaneous Revenue	-	167,965	-
Total Revenues		<u>\$9,820,000</u>	<u>\$ 10,500,581</u>	<u>\$ 33,326</u>
Expenditures				
71-4615-xxxx-xxxx	Bond Issuance Costs	\$ 192,591	\$ 192,601	\$ -
71-4615-xxxx-xxxx	Bond Discount	46,809	46,809	-
71-4615-4400-9021	Communications System	195,680	181,613	-
71-4615-5100-xxxx	Salaries/Benefits	60,000	86,829	-
71-4615-8500-9001	Transfer To General Funds	-	65	-
71-4615-8500-9003	Meadow Brook Sewer Project	235,714	158,996	-
71-4615-8500-9005	Hwy 190 Sewer Project	162,430	177,948	-
71-4615-8500-9007	Mountain Top Water Project	460,000	533,933	333,710
71-4615-8500-9009	Big Divide (Sewer)	484,000	625,951	-
71-4615-8500-9011	Big Divide (Water)	1,710,000	824,215	-
71-4615-8500-9013	NE WW Plant Expansion	4,138,389	4,359,165	-
	Add'l Engineering-NE WW Plant	55,869	60,889	-
71-4615-8100-9041	Utility Admin. Bldg. Repairs	20,000	19,081	-
71-4615-8500-9014	South Plant-Fine Screens	101,500	101,500	-
71-4615-8500-xxxx	NE and NW Change Orders	48,231	-	-
71-4615-8500-9015	NW WW Plant Expansion	1,104,456	1,134,003	-
71-4615-8500-9017	4th Year Sewer Improvement	594,000	268,769	25,297
71-4615-8500-9021	Water Model Study	60,000	84,126	-
71-4615-8500-9029	FM 1113 Improvement (Sidewalk)	-	(10,066)	-
71-4615-8500-9031	Expansion of Constitution	122,000	122,000	-
Total Expenditures		<u>\$ 9,791,669</u>	<u>\$ 8,968,427</u>	<u>\$ 359,007</u>
Ending Fund Balance				
71-300-0001		<u>\$ 28,331</u>	<u>\$ 1,532,155</u>	<u>\$ 1,206,474</u>

"Sewer (Skyline Valley Lift Station)" is now "Big Divide (Sewer)"
"Water (Ogletree Pass to Colorado)" is now "Big Divide (Water)"

City of Copperas Cove, Texas
2005 Certificates of Obligation
Water Projects
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
93-300-0001	Fund Balance	\$ -	\$ -	\$ 2,228,891
Revenues				
93-390-1003	Bond Proceeds	\$ 3,080,000	\$ 3,050,000	\$ -
93-340-2001	Miscellaneous Revenue	-	-	-
93-370-6001	Interest Revenue	-	250,372	43,831
Total Revenues		<u>\$ 3,080,000</u>	<u>\$ 3,300,372</u>	<u>\$ 43,831</u>
Expenditures				
93-4616-5100-xxxx	Salary/Benefits	\$ -	\$ 458	\$ -
93-4615-8500-6100	Contractual Services	-	-	244
93-4616-8500-8600	Issuance Costs	89,000	62,050	-
93-4616-8500-9032	East Pump Station	1,380,000	178,500	8,160
93-4616-8500-9034	Turkey Run Pump Station	868,000	132,000	28,723
93-4616-8500-9036	Hogg Mountain Water Tank	743,000	698,473	-
Total Expenditures		<u>\$ 3,080,000</u>	<u>\$ 1,071,481</u>	<u>\$ 37,126</u>
Ending Fund Balance				
93-253-0001		<u>\$ -</u>	<u>\$ 2,228,891</u>	<u>\$ 2,235,596</u>

City of Copperas Cove, Texas
2006 Limited Tax Notes
Capital Equipment/Land & Professional Services
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
73-300-0001	Fund Balance	\$ -	\$ -	\$ 1,015,058
Revenues				
73-390-1003	Bond Proceeds	\$ 1,260,000	\$ 1,260,000	\$ -
73-340-2001	Miscellaneous Revenue	-	-	-
73-370-6001	Interest Revenue	-	59,154	15,304
Total Revenues		<u>\$ 1,260,000</u>	<u>\$ 1,319,154</u>	<u>\$ 15,304</u>
Expenditures				
73-4617-4200-6800	Professional Services	\$ 600,000	\$ 15,331	\$ 85,159
73-4617-4200-8600	Land	400,000	-	197,134
73-4617-4400-8300	Ambulance	100,000	97,525	-
73-4617-5300-8300	Street Sweeper	160,000	199,298	-
73-4617-9900-9500	Bond Issuance Costs	-	(8,057)	-
Total Expenditures		<u>\$ 1,260,000</u>	<u>\$ 304,097</u>	<u>\$ 282,293</u>
Ending Fund Balance				
73-253-0001		<u>\$ -</u>	<u>\$ 1,015,058</u>	<u>\$ 748,069</u>

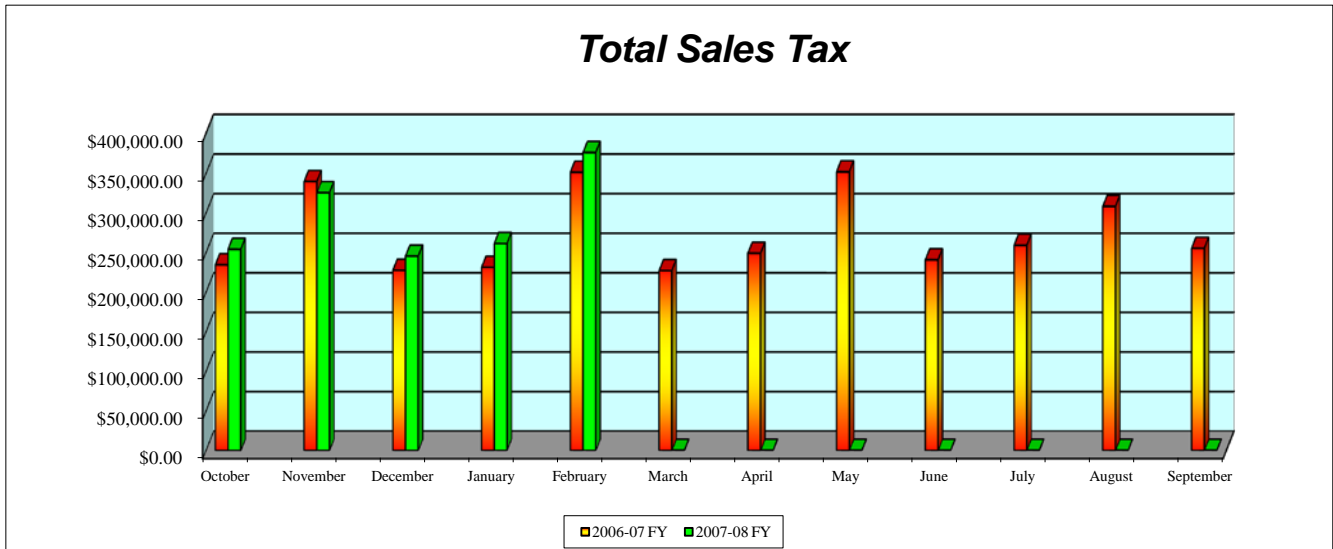
City of Copperas Cove, Texas
2007 Certificates of Obligation
Police Facility
As of February 29, 2008

Account	Description	Budget	As of	
			FY 2006-07	FY 2007-08
Beginning Fund Balance				
74-300-0001	Fund Balance	\$ -	\$ -	\$ 5,338,633
Revenues				
74-390-1001	Bond Proceeds	\$ 5,300,000	\$ 5,300,000	\$ -
74-370-6001	Interest Revenue	50,000	92,974	100,369
74-390-1002	Discount Note Proceeds	-	-	(500,000)
Total Revenues		<u>\$ 5,350,000</u>	<u>\$ 5,392,974</u>	<u>\$ (399,631)</u>
Expenditures				
74-4618-4200-2200	Postage	\$ -	\$ 23	\$ -
74-4618-4200-8600	Bond Issuance Costs	50,000	54,318	-
74-4617-4200-8500	Police Facility	5,300,000	-	-
74-4618-4200-6100	Advertising	-	-	124
Total Expenditures		<u>\$ 5,350,000</u>	<u>\$ 54,341</u>	<u>\$ 124</u>
Ending Fund Balance				
74-253-0001		<u>\$ -</u>	<u>\$ 5,338,633</u>	<u>\$ 4,938,878</u>

**CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF SALES TAX COLLECTIONS
(WITH COMPARATIVE COLLECTIONS IN FY 2006-07)
As of February 29, 2008 (FY 2007-08)**

Fiscal Year 2006-07	City's Revenue	EDC's Revenue	Total Sales Tax	Fiscal Year 2007-08	City's Revenue	EDC's Revenue	Total Sales Tax
October	\$156,182.25	\$78,091.13	\$234,273.38	October	\$169,247.52	\$84,623.76	\$253,871.28
November	\$226,324.55	\$113,162.28	\$339,486.83	November	\$216,891.12	\$108,445.56	\$325,336.68
December	\$151,566.28	\$75,783.14	\$227,349.42	December	\$163,496.24	\$81,748.12	\$245,244.36
January	\$154,062.22	\$77,031.11	\$231,093.33	January	\$174,106.89	\$87,053.45	\$261,160.34
February	\$234,096.96	\$117,048.48	\$351,145.44	February	\$250,728.06	\$125,364.03	\$376,092.09
March	\$151,231.18	\$75,615.59	\$226,846.77	March			\$0.00
April	\$165,791.41	\$82,895.71	\$248,687.12	April			\$0.00
May	\$234,485.52	\$117,242.76	\$351,728.28	May			\$0.00
June	\$160,309.35	\$80,154.68	\$240,464.03	June			\$0.00
July	\$172,527.88	\$86,263.94	\$258,791.82	July			\$0.00
August	\$205,359.88	\$102,679.94	\$308,039.82	August			\$0.00
September	\$170,015.51	\$85,007.76	\$255,023.27	September			\$0.00
Total	\$2,181,952.99	\$1,090,976.50	\$3,272,929.49	Total	\$974,469.83	\$487,234.92	\$1,461,704.75

NOTE 1 - Total revenues collected for sales tax by the month ending February 29, 2008, in FY 2007-08 was \$1,461,704.75 (\$974,469.83 City's revenues and \$487,234.92 EDC's revenues); total revenues collected for sales tax by the month ending February 28, 2007 in FY 2006-07 was \$1,383,348.40 (\$922,232.26 City's revenues and \$461,116.14 EDC's revenues).



CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Account)
As of February 28, 2008 (FY 2007-08)

FUNDS IN INVESTMENT POOLS	
TEXSTAR	\$ 5,259,941.87
TEXPOOL	18,624,025.22
DISCOUNT NOTES	501,288.85
Subtotal on Funds in Investment Pools	<u>\$ 24,385,255.94</u>
 CHECKING ACCOUNTS	
1988 W&S Bond	\$0.00
1994 Fire G.O. Bond Issue	0.00
1994 Fire Station Retainage	0.00
1994 Landfill C O's	0.00
Caddy Shack - Pool Account	0.00
Drainage Utility Reserve	0.00
G.O. Bonds Interest & Sinking	0.00
Master Account	1,267,026.00
Payroll	4,309.41
Rental Rehab	15,100.02
Golf Course	0.00
State Revolving Fund 1994	0.00
State Revolving Fund 1994 - Cash in Escrow	0.00
W & S Interest & Sinking	0.00
Water & Sewer Revenue	0.00
Law Enforcement Block Grant	12,909.64
Certificate of Obligations Series 1997	0.00
Solid Waste Interest & Sinking	0.00
Library Retainage	0.00
Pending Forfeitures	17,653.71
Small Business Revolving Loan Fund	0.00
1998 G.O. Bond Issue	0.00
1998 G.O. Bond Issue Retainage	0.00
1998 C.O. Bond Issue Retainage	0.00
Community Development	0.00
Subtotal Checking Accounts	<u>\$1,316,998.78</u>
 SAVINGS ACCOUNTS (Per Quarterly Stmt)	
Subdivision Escrow	2,529.04
Subtotal Savings Accounts	<u>\$2,529.04</u>
 TOTAL INVESTMENTS & CASH ACCOUNTS	 <u><u>\$25,704,783.76</u></u>

CITY OF COPPERAS COVE
MONTHLY COUNCIL REPORT
SCHEDULE OF CASH ACCOUNTS AND INVESTMENTS (By Fund)
As of February 28, 2008 (FY 2007-08)

FUND	TOTAL CASH & INVESTMENTS
General Fund	\$7,500,903.11
Water & Sewer Fund	\$2,544,610.53
Solid Waste Fund	\$739,138.22
Youth Activity Fund	\$89,145.46
Drainage Utility Fund	\$880,577.80
Cemetery Fund	\$52.88
General Obligation Interest & Sinking Fund	\$1,220,369.91
Curb & Gutter Assessment Fund	\$39.54
Municipal Golf Course Fund	\$23,663.70
Small Business Revolving Loan Fund	\$2,529.04
Library Gifts & Memorials Fund	\$8,355.35
Hotel/Motel Tax Fund	\$151,648.35
Animal Shelter Donations Fund	\$21,591.18
Police Court Order Fund	\$0.00
City-Wide Donations Fund	\$58,889.51
Abandoned Vehicle Auction Fund	\$0.00
City Wide Grants	\$179,109.19
FEMA Grant Funds	\$135,401.36
Fire Special Revenue Fund	\$11,720.05
Joint Image Campaign	\$27,581.81
Tx. Parks & Wildlife Grant	\$0.00
Municipal Court Fund	\$186,863.26
Police Restricted Fund	\$18,969.28
Police Federal Seizure Fund	\$2,104.23
Fire/EMS Loan	\$37,853.05
County Mutual Aid Agreement	\$48,282.08
1997 Combination Tax & Revenue C/O's (Golf Course; Library)	\$26,899.44
1997 CO's Golf Course Phase 1	\$0.00
Law Enforcement Block Grant Fund	\$12,819.62
Fire Department Grant Fund	\$22,054.61
Library Grant Fund	\$37,913.09
Step Grant	\$3,306.65
Tobacco Grant	\$2,357.84
FM 1113 Grant	\$50,178.66
2006 Limited Tax Notes	\$754,472.05
1994 WW/SS Revenue Bonds	\$0.00
EDA Industrial Park	\$4,642.44
Reliever Route	\$261,022.34
2005 Certificates of Obligation (Water Projects)	\$2,415,135.89
1998 Park Improvements G.O.	\$0.00
1998 Combination Tax & Revenue C/O's (Street; Compost)	\$3,840.46
1999 Combination Tax & Revenue C/O's (Golf Course)	\$2,212.64
1999 Combination Tax & Revenue C/O's (Animal Control; Municipal Court)	\$243.89
1999 Combination Tax & Revenue C/O's (Water/Wastewater Phase I CIP)	\$0.00
1999 Combination Tax & Revenue C/O's (Solid Waste Vehicles & Equip.)	\$7,930.73
2001 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$267,500.25
2001 Combination Tax & Revenue C/O's (Water/Wastewater Phase II CIP)	\$461,026.06
2003 Combination Tax & Revenue C/O's (Capital Equip. & Improvements)	\$477,970.86
2003 Combination Tax & Revenue C/O's (Water/Wastewater Phase III CIP)	\$1,566,937.00
2007 Combination Tax & Revenue C/O's (Police Facility)	\$5,436,920.35
TOTAL CASH & INVESTMENTS	<u>\$25,704,783.76</u>

RECAP OF CASH & INVESTMENTS:

INVESTMENTS IN TEXPOOL	\$ 18,624,025.22
INVESTMENTS IN TEXSTAR	5,259,941.87
DISCOUNT NOTES	501,288.85
CASH IN BANK	1,319,527.82
TOTAL CASH & INVESTMENTS	<u>\$ 25,704,783.76</u>

CITY OF COPPERAS COVE
INVESTMENT SCHEDULE
As of February 28, 2008 (FY 2007-08)

As of December 31, 2007, the City of Copperas Cove's investment portfolio was made up of investments in TEXPOOL, TEXSTAR, Discount Note and bank deposits with the City's local depository. This portfolio accomplishes the objective of maintaining liquidity while earning a modest yield on invested taxpayers dollars.

TEXPOOL Investments	Market Value 01/31/08	Investments	Redemptions	Accrued Interest	Book Value 02/29/08	Market Value 02/29/08
General Fund	\$ 5,968,512.85	\$ 1,614,080.19	\$ 664,080.19	\$ 17,763.33	\$ 6,936,276.18	\$ 6,936,276.18
Water & Sewer Fund	2,779,184.61	416,604.00	775,851.63	7,009.56	2,426,946.54	2,426,946.54
Solid Waste Fund	880,114.66	-	110,000.00	2,146.08	772,260.74	772,260.74
Drainage Utility Fund	873,574.39	26,594.00	25,952.25	2,409.46	876,625.60	876,625.60
Interest & Sinking Fund	1,210,564.47	311,904.52	341,204.24	3,087.93	1,184,352.68	1,184,352.68
Youth Activities Fund	97,795.44	-	6,000.00	253.03	92,048.47	92,048.47
Cemetery Fund	-	-	-	-	-	-
Golf Course Interest & Sinking	39.49	-	-	0.05	39.54	39.54
Small Business Revolving Loan Fund	47,543.52	425.00	-	130.83	48,099.35	48,099.35
Hotel/Motel Fund	152,455.79	7,372.71	-	433.63	160,262.13	160,262.13
Municipal Court Special Revenue Fund	184,312.38	1,179.96	-	506.14	185,998.48	185,998.48
1997 C/O Fund	1,311.96	-	-	3.61	1,315.57	1,315.57
1998 G.O. Bond Fund	457.25	-	-	1.21	458.46	458.46
1998 C/O Bond Fund	3,830.00	-	-	10.46	3,840.46	3,840.46
1999 C/O Bond Fund (Animal Control, etc.)	243.26	-	-	0.63	243.89	243.89
1999 C/O Bond Fund (Golf Course)	2,206.60	-	-	6.04	2,212.64	2,212.64
1999 C/O Bond Fund (Solid Waste)	7,909.14	-	-	21.59	7,930.73	7,930.73
2001 C/O Bond Fund (Governmental)	290,439.97	-	23,700.00	760.28	267,500.25	267,500.25
2001 C/O Bond Fund (W&S Phase II)	459,770.38	-	-	1,255.68	461,026.06	461,026.06
2007 C/O Police Facility	4,912,339.04	-	-	13,415.96	4,925,755.00	4,925,755.00
Reliever Route	270,809.51	-	715.00	737.94	270,832.45	270,832.45
Total TEXPOOL Investments	\$ 18,143,414.71	\$ 2,378,160.38	\$ 1,947,503.31	\$ 49,953.44	\$ 18,624,025.22	\$ 18,624,025.22

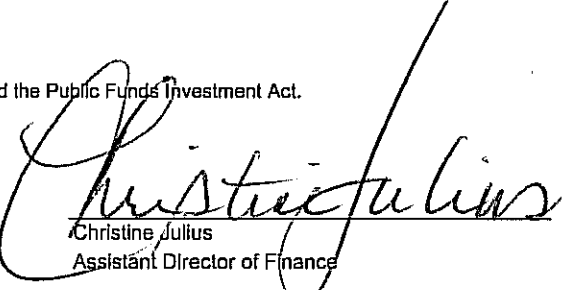
TEXSTAR Investments	Market Value 01/31/08	Investments	Redemptions	Accrued Interest	Book Value 02/29/08	Market Value 02/29/08
2003 C/O Project Fund (Governmental)	\$ 476,674.69	\$ -	\$ -	\$ 1,296.17	\$ 477,970.86	\$ 477,970.86
2003 C/O Project Fund (W&S Phase III)	1,825,496.16	-	262,458.24	4,599.08	1,567,637.00	1,567,637.00
EDA Grant	-	-	-	-	-	-
2005 C/O Project Fund (Water Projects)	2,417,768.56	-	1,295.00	6,571.37	2,423,044.93	2,423,044.93
2006 Tax Notes - Police Building Project	820,511.45	135.00	31,515.24	2,157.87	791,289.08	791,289.08
Total TEXSTAR Investments	\$ 5,540,450.86	\$ 135.00	\$ 295,268.48	\$ 14,624.49	\$ 5,259,941.87	\$ 5,259,941.87

Discount Notes	Market Value 01/31/08	Investments	Redemptions	Accrued Interest	Book Value 02/29/08	Market Value 02/29/08
2007 C/O Police Facility	\$ -	\$ 500,000.00	\$ -	\$ 1,288.85	\$ 501,288.85	\$ 500,000.00
Total Discount Notes	\$ -	\$ 500,000.00	\$ -	\$ 1,288.85	\$ 501,288.85	\$ 500,000.00

Total Investments	\$ 23,683,865.57	\$ 2,878,295.38	\$ 2,242,771.79	\$ 65,866.78	\$ 24,385,255.94	\$ 24,383,967.09
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This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.


Wanda Bunting, CPA
Director of Financial Services


Christine Julius
Assistant Director of Finance



TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

March 2008

PERFORMANCE

<i>As of February 29, 2008</i>	<i>TexPool</i>	<i>TexPool Prime</i>
Current Invested Balance	\$22,015,161,994.29	\$1,901,750,068.04
Weighted Average Maturity (1)*	35 Days	32 Days
Weighted Average Maturity (2)*	84 Days	33 Days
Net Asset Value	1.00040	1.00001
Total Number of Participants	2,075	88
Management Fee on Invested Balance	0.0485%	0.065%
Interest Distributed	\$61,597,255.76	\$5,271,825.91
Management Fee Collected	\$866,880.69	\$59,885.22
Standard & Poor's Current Rating	AAAm	AAAm
February Averages		
Average Invested Balance	\$22,573,598,125.69	\$1,907,349,505.65
Average Monthly Yield, on a simple basis (3)*	3.4374%	3.4828%
Average Weighted Average Maturity (1)*	31 Days	29 Days
Average Weighted Average Maturity (2)*	81 Days	31 Days

*Definitions for Average Weighted Maturity can be found on Page 2.

Economic and Market Commentary – February 29, 2008

With policymakers on the sidelines for the entire month, investors were left to debate for themselves the size of the next cut in benchmark interest rates, presumably at the FOMC meeting on March 18. In reflection of an economy caught in an abrupt growth slowdown — but with inflationary pressures still evident — investors vacillated between expecting a 25, 50, or 75 basis point reduction in the Federal funds rate. As the month ended, the consensus forecast was for a 25 or 50 basis point cut at the March meeting, a move which would take benchmark rates down to 2.75% or 2.50%.

Clearly, the Federal Reserve is walking a fine line between acting aggressively enough to forestall recession but not so aggressively as to stoke inflation. In an effort to have it both ways, perhaps, the Bernanke Fed assured nervous bond investors that the central bank is poised to quickly tighten monetary policy when it became clear that the economy was out of the woods. In our view, the Fed is determined to avoid going to the monetary extremes that they may have reached earlier this decade, when the Alan Greenspan-led Fed dropped policy rates to just 1% and held them at that level for thirteen months. Absent an economic meltdown that we do not foresee, we believe that the funds rate will bottom at no lower than 2% later this year.

Despite the uncertainty, we were pleased to find several pockets of value in the cash market. In TexPool Prime, spreads remained at levels that were above historic norms, thus providing attractive opportunities for managers willing and able to do their credit homework. Conditions were somewhat more challenging in TexPool due to tighter spreads in the government sector. Still, we found value at both the shorter and longer ends of the government curve. Although both Fannie Mae and Freddie Mac reported earnings in February that were lower than expected, we emphasize that the exposure of Fannie and Freddie to the subprime mortgage sector — an exposure that has been documented and discounted — is manageable and not cause for significant concern. As always, we will monitor the situation closely and make changes as needed consistent with the high priority we place on safety and credit quality.

ANNOUNCEMENTS

New Participants

We would like to recognize and welcome the following entities who joined the TexPool/TexPool Prime program in February, 2008:

1. City of Hallettsville (Prime)
2. Harris County MUD #345
3. Port Arthur ISD
4. City of Eden
5. Nocona ISD
6. Chico ISD
7. Town of Westover Hills

Holiday Reminder

In observance of Good Friday, TexPool will be closed on Friday, March 21, 2008. ACH transactions placed on Thursday, March 20, 2008 will settle Monday, March 24, 2008. Wires received on March 21, 2008 will have a transaction date of March 24, 2008. Please plan accordingly for your liquidity needs.

Market Updates

For the latest in Market Updates check the TexPool website, www.texpool.com.



TexPool

PORTFOLIO ASSET SUMMARY AS OF February 29, 2008

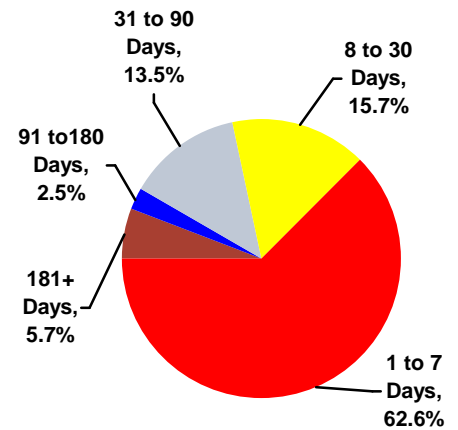
	Book Value	Market Value
Uninvested Balance	\$(181,074.62)	\$(181,074.62)
Accrual of Interest Income	29,654,876.31	29,654,876.31
Interest and Management Fees Payable	(61,592,960.82)	(61,592,960.82)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	15,269,250,000.00	15,270,650,756.20
Mutual Fund Investments	0.00	0.00
Government Securities	6,778,031,153.42	6,785,619,286.17
Total	\$22,015,161,994.29	\$22,024,150,883.78

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

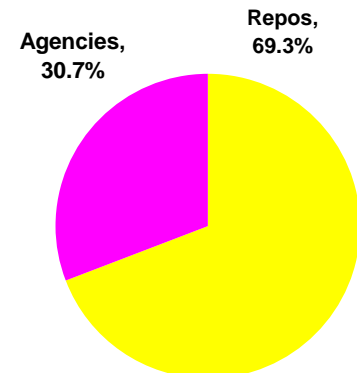
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
02/01	3.5280%	0.000096658	\$22,131,000,778.81	1.00056	29	79
02/02	3.5280%	0.000096658	\$22,131,000,778.81	1.00056	29	79
02/03	3.5280%	0.000096658	\$22,131,000,778.81	1.00056	29	79
02/04	3.6324%	0.000099519	\$22,192,827,807.71	1.00054	27	76
02/05	3.5661%	0.000097700	\$22,642,119,115.13	1.00053	27	75
02/06	3.3960%	0.000093041	\$22,816,764,597.98	1.00051	28	77
02/07	3.4313%	0.000094007	\$22,937,329,959.45	1.00051	27	77
02/08	3.4469%	0.000094435	\$23,062,711,685.62	1.00049	28	77
02/09	3.4469%	0.000094435	\$23,062,711,685.62	1.00049	28	77
02/10	3.4469%	0.000094435	\$23,062,711,685.62	1.00049	28	77
02/11	3.4799%	0.000095341	\$23,098,861,016.41	1.00047	26	75
02/12	3.4826%	0.000095415	\$23,151,072,892.45	1.00045	26	80
02/13	3.5007%	0.000095910	\$23,169,904,306.68	1.00043	28	81
02/14	3.5525%	0.000097328	\$22,705,084,462.04	1.00043	28	83
02/15	3.6052%	0.000098773	\$22,415,935,012.21	1.00040	33	86
02/16	3.6052%	0.000098773	\$22,415,935,012.21	1.00040	33	86
02/17	3.6052%	0.000098773	\$22,415,935,012.21	1.00040	33	86
02/18	3.6052%	0.000098773	\$22,415,935,012.21	1.00040	33	86
02/19	3.5087%	0.000096129	\$22,550,639,647.39	1.00039	32	83
02/20	3.3244%	0.000091079	\$22,581,150,744.88	1.00037	35	83
02/21	3.2754%	0.000089736	\$22,655,086,523.78	1.00036	35	83
02/22	3.2704%	0.000089599	\$22,525,718,717.95	1.00034	36	85
02/23	3.2704%	0.000089599	\$22,525,718,717.95	1.00034	36	85
02/24	3.2704%	0.000089599	\$22,525,718,717.95	1.00034	36	85
02/25	3.2711%	0.000089619	\$22,422,281,481.02	1.00034	34	83
02/26	3.2499%	0.000089039	\$22,382,880,841.94	1.00033	35	82
02/27	3.2319%	0.000088546	\$22,313,441,005.38	1.00035	34	82
02/28	3.2603%	0.000089322	\$22,177,705,652.61	1.00036	34	82
02/29	3.3644%	0.000092174	\$22,015,161,994.29	1.00040	35	84
Averages	3.4374%	0.000094175	\$22,573,598,125.69		31	81

Portfolio By Maturity
As of February 29, 2008



Portfolio By Type of Investment
As of February 29, 2008



	Number of Participants	Balance
School District	530	\$8,618,757,010.13
Higher Education	53	\$2,209,232,918.91
Health Care	78	\$873,765,558.50
Utility District	624	\$2,116,744,114.61
City	416	\$5,699,801,553.28
County	161	\$2,110,649,418.16
Other	213	\$385,360,269.67

Definition of Weighted Average Maturity (1) & (2)

*(1) This weighted average maturity calculation uses the SEC Rule 2A-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

*(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

TexPool Prime

PORTFOLIO ASSET SUMMARY AS OF February 29, 2008

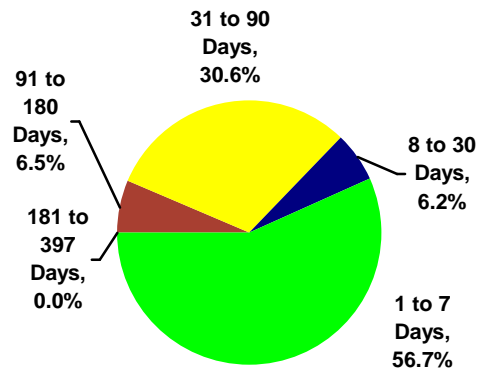
	Book Value	Market Value
Uninvested Balance	\$(442.93)	\$(442.93)
Accrual of Interest Income	320,467.82	320,467.82
Interest and Management Fees Payable	(5,271,823.60)	(5,271,823.60)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	833,418,000.00	833,418,000.00
Mutual Fund Investments	50,000,000.00	50,000,000.00
Government Securities	0.00	0.00
Commercial Paper	985,483,866.75	985,501,758.70
Bank Instruments	0.00	0.00
Variable Rate Note	37,800,000.00	37,793,271.60
Total	\$1,901,750,068.04	\$1,901,761,231.59

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investors and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

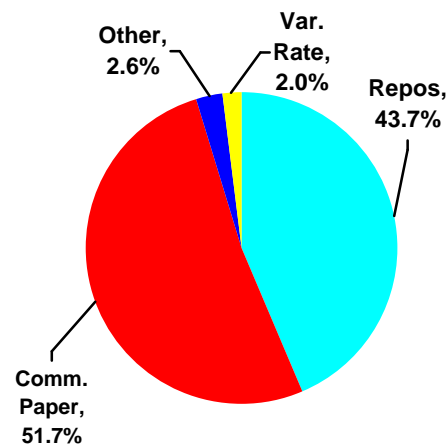
DAILY SUMMARY

Date	Money Mkt Fund Equiv (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
02/01	3.5813%	0.000098119	\$1,777,824,806.71	1.00019	23	25
02/02	3.5813%	0.000098119	\$1,777,824,806.71	1.00019	23	25
02/03	3.5813%	0.000098119	\$1,777,824,806.71	1.00019	23	25
02/04	3.6919%	0.000101148	\$1,819,326,845.71	1.00025	21	23
02/05	3.6036%	0.000098728	\$1,852,113,151.67	1.00022	20	22
02/06	3.4694%	0.000095053	\$1,836,361,205.95	1.00022	23	24
02/07	3.4649%	0.000094929	\$1,929,077,969.87	1.00017	23	24
02/08	3.4800%	0.000095343	\$1,965,719,579.85	1.00008	24	25
02/09	3.4800%	0.000095343	\$1,965,719,579.85	1.00008	24	25
02/10	3.4800%	0.000095343	\$1,965,719,579.85	1.00008	24	25
02/11	3.4920%	0.000095670	\$2,062,518,963.87	1.00014	25	26
02/12	3.4991%	0.000095866	\$2,057,750,201.31	1.00012	28	29
02/13	3.5234%	0.000096532	\$1,993,226,356.50	1.00009	30	31
02/14	3.5449%	0.000097120	\$1,963,917,440.75	1.00005	33	34
02/15	3.5754%	0.000097956	\$1,920,110,611.40	0.99990	35	37
02/16	3.5754%	0.000097956	\$1,920,110,611.40	0.99990	35	37
02/17	3.5754%	0.000097956	\$1,920,110,611.40	0.99990	35	37
02/18	3.5754%	0.000097956	\$1,920,110,611.40	0.99990	35	37
02/19	3.5102%	0.000096169	\$1,919,177,913.46	1.00002	33	34
02/20	3.3648%	0.000092186	\$1,918,997,342.37	1.00000	33	34
02/21	3.3683%	0.000092282	\$1,902,224,668.21	0.99998	34	35
02/22	3.3644%	0.000092174	\$1,911,918,726.70	0.99986	35	37
02/23	3.3644%	0.000092174	\$1,911,918,726.70	0.99986	35	37
02/24	3.3644%	0.000092174	\$1,911,918,726.70	0.99986	35	37
02/25	3.3712%	0.000092363	\$1,891,307,866.08	0.99996	33	34
02/26	3.3670%	0.000092246	\$1,876,405,265.53	0.99996	33	34
02/27	3.3596%	0.000092045	\$1,878,555,819.38	1.00000	32	34
02/28	3.3831%	0.000092689	\$1,863,592,799.76	1.00000	32	33
02/29	3.4078%	0.000093365	\$1,901,750,068.04	1.00001	32	33
Averages	3.4828%	0.000095418	\$1,907,349,505.65		29	31

Portfolio By Maturity As of February 29, 2008



Portfolio By Type of Investment As of February 29, 2008



	Number of Participants	Balance
School District	49	\$1,554,097,834.58
Higher Education	4	\$23,561,013.77
Health Care	5	\$7,558,327.93
Utility District	2	\$47,104,506.72
City	15	\$60,664,885.57
County	7	\$208,443,218.90
Other	6	\$319,108.70

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

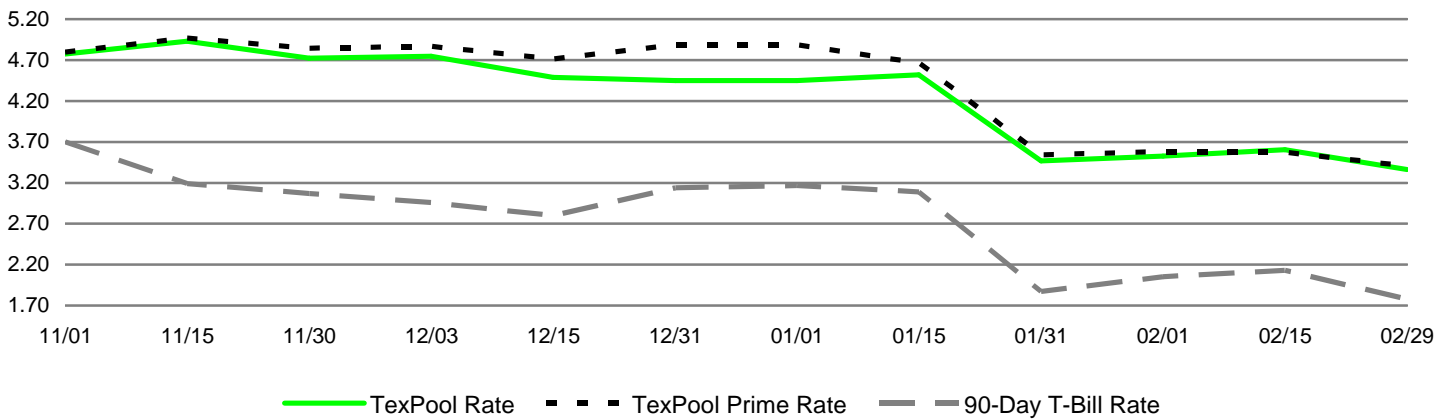


TEXPOOL

THE TEXAS INVESTMENT SERVICE FOR PUBLIC FUNDS

TexPool Participant Services
c/o Lehman Brothers
600 Travis St., Suite 7200
Houston, TX 77002

TEXPOOL & TEXPOOL PRIME VS. 90-DAY TREASURY BILL



TexPool Advisory Board Members

R.C. Allen	Kathy Dubose	Ron Leverett	Clay McPhail
Pati Buchenau	Jose Elizondo, Jr.	LaVonne Mason	Anita Thetford
James L. Cotton	Dan Haggerty	John McGrane	Vivian Wood

Additional information regarding TexPool is available upon request:
www.texpool.com • 1-866-839-7665 (1-888-TEX-POOL) • Fax: 866-839-3291

City of Copperas Cove City Council Agenda Item Report

April 1, 2008

Agenda Item J-1

Contact – Wanda Bunting, Director of Financial Services, 547-4221
wbunting@ci.copperas-cove.tx.us

SUBJECT: Financial Report for the Month ended February 29, 2008.

1. BACKGROUND/HISTORY

Attached is the Monthly Council Report for the month ended February 29, 2008. This report is submitted to the City Council for review. The report provides a detailed analysis of the City's financial condition and results of operations for the month ended February 29, 2008.

2. FINDINGS/CURRENT ACTIVITY

None.

3. FINANCIAL IMPACT

None.

4. ACTION OPTIONS/RECOMMENDATION

None.

PAYING AGENT/REGISTRAR AGREEMENT

between

CITY OF COPPERAS COVE, TEXAS

and

JPMORGAN CHASE BANK, N.A.

Pertaining to

City of Copperas Cove, Texas

Limited Tax Notes

Series 2008

Dated as of April 1, 2008

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PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (this “Agreement”), dated as of April 1, 2008, is by and between THE CITY OF COPPERAS COVE, TEXAS (the “Issuer”), and JPMORGAN CHASE BANK, N.A., Houston, Texas (the “Bank”), a national banking association authorized to do business in Texas.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its Limited Tax Notes, Series 2008 (the “Obligations”), to be issued as registered securities without coupons;

WHEREAS, the Bank intends to purchase the Obligations, and, as part of the Bank’s agreement with the Issuer to purchase the Obligations, the Bank has agreed to serve as Paying Agent/Registrar for the Obligations; and

WHEREAS, all things necessary to make the Obligations the valid obligations of the Issuer, in accordance with their terms, will be taken upon the issuance and delivery thereof;

WHEREAS, the Issuer is desirous that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Obligations, in accordance with the terms thereof, and that the Bank act as Registrar for the Obligations;

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement the valid agreement of the Issuer, in accordance with its terms, have been done;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment. (a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Obligations in paying to the Owners of the Obligations the principal, redemption premium, if any, and interest on all or any of the Obligations.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Obligations.

(c) The Bank hereby accepts its appointment, and agrees to act as, the Paying Agent and Registrar.

Section 1.02. Compensation. (a) As compensation for the Bank’s services as Paying Agent/Registrar, the Issuer hereby agrees so long as this agreement is in effect, to pay the Bank the fees and amounts set forth in Annex A hereto for so long as the principal of and interest on, or redemption price of, the Obligations, is unpaid.

(b) In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Bank in accordance

with any of the provisions hereof, including the reasonable compensation and the expenses and disbursements of its agents and counsel.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

“Bank” means JPMorgan Chase Bank, N.A.

“Designated Payment/Transfer Office” means the principal corporate trust office of the Bank located in Houston, Texas, or in such other location as designated by the Paying Agent/Registrar. The Bank will notify the Issuer in writing of any change in location of the Designated Payment/Transfer Office.

“Fiscal Year” means the fiscal year of the Issuer.

“Issuer” means the City of Copperas Cove, Texas.

“Issuer Request” and “Issuer Order” means a written request or order signed in the name of the Issuer by the Mayor, the City Secretary, or any other authorized representative of the Issuer and delivered to the Bank.

“Legal Holiday” means a day on which the Bank is required or authorized by applicable law to be closed.

“Obligation” or “Obligations” means, collectively, any or all of the Issuer’s Limited Tax Notes, Series 2008.

“Order” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Obligations are issued, certified by the Secretary or any other officer of the Issuer, and delivered to the Bank.

“Owner” means the Person in whose name a Obligation is registered in the Register.

“Paying Agent/Registrar” means initially JPMorgan Chase Bank, N.A., or any successor thereto as provided in this Order when it is performing the functions associated with the terms in this Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision of a government.

“Predecessor Obligations” of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation

(and, for the purposes of this definition, any Obligation registered and delivered under Section 4.06 in lieu of a mutilated, lost, destroyed or stolen Obligation shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Obligation).

“Record Date” means the last business day of the month next preceding an interest payment date established by the Order.

“Register” means a register in which the Issuer shall provide for the registration and transfer of Obligations.

“Responsible Officer” when used with respect to the Bank means the Chairman or Vice Chairman of the Board of Directors, the Chairman or Vice Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Stated Maturity” means the date specified in the Order as the fixed date on which the principal of the Obligations is due and payable or the date fixed in accordance with the terms of the Order for redemption of the Obligations, or any portion thereof, prior to the fixed maturity date.

Section 2.02. Other Definitions. The terms “Bank” and “Issuer” have the meanings assigned to them in the opening paragraph of this Agreement.

ARTICLE III

PAYING AGENT

Section 3.01. Duties of Paying Agent. (a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner at the Stated Maturity and upon the surrender of the Obligation or Obligations so maturing at the Designated Payment/Transfer Office, the principal amount of the Obligation or Obligations then maturing, and redemption premium, if any, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payment.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Obligations to each Owner of the Obligations (or their Predecessor Obligations) as shown in the Register at the close of business on the Record Date, provided that the Bank shall have been provided by or on behalf of the Issuer adequate funds to make such payments; such payments shall be made by computing the amount of interest to be paid each Owner, preparing the checks, and mailing the checks on each payment date addressed to the addresses thereof as appearing on the Register on the Record Date.

Section 3.02. Payment Dates. The Issuer hereby instructs the Bank to pay the principal of, redemption premium, if any, and interest on the Obligations at the dates specified in the Order.

ARTICLE IV

REGISTRAR

Section 4.01. Transfer and Exchange. (a) The Issuer shall keep the Register at the Designated Payment/Transfer Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished the Bank herewith or subsequent hereto by Issuer Order, the Issuer shall provide for the registration and transfer of the Obligations. The Bank is hereby appointed “Registrar” for the purpose of registering and transferring the Obligations as herein provided. The Bank agrees to maintain the Register while it is Registrar.

(b) The Bank as Registrar hereby agrees that at any time while any Obligation is outstanding, the Owner may deliver such Obligation to the Bank for transfer or exchange, accompanied by instructions from the Owner, or the duly authorized designee of the Owner, designating the persons, the maturities, and the principal amounts to and in which such Obligation is to be transferred and the addresses of such persons; the Bank shall thereupon, within not more than three (3) business days, register and deliver such Obligation or Obligations as provided in such instructions. The provisions of the Order shall control the procedures for transfer or exchange set forth herein to the extent such procedures are in conflict with the provisions of the Order.

(c) Every Obligation surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed in a manner satisfactory to the Bank, duly executed by the Owner thereof or his attorney duly authorized in writing.

(d) The Bank may request any supporting documentation it feels necessary to effect a re-registration.

Section 4.02. The Obligations. The Issuer shall provide an adequate inventory of unregistered Obligations to facilitate transfers. The Bank covenants that it will maintain the unregistered Obligations in safekeeping and will use reasonable care in maintaining such unregistered Obligations in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.03. Form of Register. (a) The Bank as Registrar will maintain the records of the Register in accordance with the Bank’s general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and utilizes at the time.

(b) The Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Owners. (a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) Unless otherwise required by law, the Bank will not release or disclose the content of the Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer. Upon receipt of a subpoena or court order, the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

(c) At all times, while the Bank is Registrar, the Bank shall maintain and have available a copy of the Register at an office in the State of Texas.

Section 4.05. Cancellation of Obligations. All Obligations surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it; if surrendered to the Issuer, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Obligations previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly cancelled by the Bank. All cancelled Obligations held by the Bank shall be disposed of in accordance with the Securities Exchange Act of 1934.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Obligations. (a) Subject to the provisions of this Section 4.06, the Issuer hereby instructs the Bank to deliver fully registered Obligations in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations as long as the same does not result in an overissuance.

(b) If (i) any mutilated Obligation is surrendered to the Bank, or the Issuer and the Bank receives evidence to their satisfaction of the destruction, loss, or theft of any Obligation, and (ii) there is delivered to the Issuer and the Bank such security or indemnity as may be required by the Bank to save and hold each of them harmless, then in the absence of notice to the Issuer or the Bank that such Obligation has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Bank shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Obligation, a new Obligation of the same stated maturity and of like tenor and principal amount bearing a number not contemporaneously outstanding.

(c) Every new Obligation issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Obligation shall constitute a replacement of the prior obligation of the Issuer, whether or not the mutilated, destroyed, lost, or stolen Obligation shall be at any time enforceable by anyone, and shall be entitled to all the benefits of the Order equally and ratably with all other outstanding Obligations.

(d) Upon the satisfaction of the Bank and the Issuer that an Obligation has been mutilated, destroyed, lost, or stolen, and upon receipt by the Bank and the Issuer of such indemnity or security as they may require, the Bank shall cancel the Obligation number on the

Obligation registered with a notation in the Register that said Obligation has been mutilated, destroyed, lost, or stolen; and a new Obligation shall be issued of the same series and of like tenor and principal amount bearing a number, according to the Register, not contemporaneously outstanding.

(e) The Bank may charge the Owner the Bank's fees and expenses in connection with issuing a new Obligation in lieu of or exchange for a mutilated, destroyed, lost, or stolen Obligation.

(f) The Issuer hereby accepts the Bank's current blanket bond for lost, stolen, or destroyed Obligations and any future substitute blanket bond for lost, stolen, or destroyed Obligations that the Bank may arrange, and agrees that the coverage under any such blanket bond is acceptable to it and meets the Issuer's requirements as to security or indemnity. The Bank need not notify the Issuer of any changes in the security or other company giving such bond or the terms of any such bond, provided that the amount of such bond is not reduced below the amount of the bond on the date of execution of this Agreement. The blanket bond then utilized by the Bank for lost, stolen, or destroyed Obligations by the Bank is available for inspection by the Issuer on request.

Section 4.07. Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations it has paid pursuant to 3.01; Obligations it has delivered upon the transfer or exchange of any Obligations pursuant to Section 4.01; and Obligations it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations pursuant to Section 4.06 of this Agreement.

ARTICLE V

THE BANK

Section 5.01. Duties of Bank. The Bank undertakes to perform the duties set forth herein and in accordance with the Order and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Obligations to pay the Obligations as the same shall become due and further agrees to establish and maintain all accounts and funds as may be required for the Bank to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc. (a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that

repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document supplied by Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and the Bank.

Section 5.03. Recitals of Issuer. (a) The recitals contained herein and in the Obligations shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

(b) The Bank shall in no event be liable to the Issuer, any Owner, or any other Person for any amount due on any Obligation except as otherwise expressly provided herein with respect to the liability of the Bank for its duties under this Agreement.

Section 5.04. May Hold Obligations. The Bank, in its individual or any other capacity, may become the Owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05. Money Held by Bank. (a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Subject to the provisions of Title 6, Texas Property Code, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Obligation and remaining unclaimed for three years after final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Obligation shall thereafter look only to the Issuer for the payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

(d) The Bank will comply with the reporting requirements of Chapter 74 of the Texas Property Code.

(e) When the Bank is not the Owner of all the Obligations outstanding, the Bank shall deposit any moneys received from the Issuer into a trust account to be held in a paying agency capacity for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance available to the Issuer provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on the Obligations have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Section 5.06. Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank, its officers, directors, employees, and agents for, and hold them harmless against, any loss, liability, or expense incurred without negligence or bad faith on their part arising out of or in connection with its acceptance or administration of the Bank's duties hereunder, and under Article V of the Order, including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demands or controversy over its persons as well as funds on deposit in the appropriate state or federal court in the State of Texas; waive personal service of any process; and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any person claiming any interest herein.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereof.

Section 6.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown below:

- (a) if to the Issuer: City of Copperas Cove, Texas
507 South Main Street
Copperas Cove, Texas 76522
Attention: Mayor
- (b) if to the Bank : JPMorgan Chase Bank, N.A.
707 Travis, 9th Floor North
Houston, Texas 77002

Section 6.04. Designated Payment/Transfer Office. The Designated Payment/Transfer Office shall be the office of the Bank as set forth in Section 6.03.

Section 6.05. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.06. Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.07. Separability. If any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.08. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09. Entire Agreement. This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar, and if any conflict exists between this Agreement and the Order, the Order shall govern.

Section 6.10. Counterparts. This Agreement may be executed in any number of counterparts, each which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11. Termination. (a) This Agreement will terminate on the date of final payment by the Bank issuing its checks for the final payment of principal, redemption premium, if any, and interest of the Obligations.

(b) The Issuer may not terminate the Bank as Paying Agent/Registrar so long as the bank is the sole holder of the Obligations.

(c) If the Bank is not the sole holder of the Obligations, this Agreement may be earlier terminated upon sixty (60) days written notice by either party; provided, that, no termination shall be effective until a successor has been appointed by the Issuer and has accepted the duties imposed by this Agreement. The resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an

instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within sixty (60) days after giving notice of resignation.

(d) The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Execution Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY OF COPPERAS COVE, TEXAS

By: _____
Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary

JPMORGAN CHASE BANK, N.A.,
as Paying Agent/Registrar

By: _____
Title: _____

ANNEX "A"

SCHEDULE OF FEES FOR SERVICE AS PAYING AGENT/REGISTRAR

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